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**TORY M.P.**



# **TORY M.P.**

by

**SIMON HAXEY**

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The reader is asked to note that a particular statement of fact in this book must be considered with reference to its *date*. It may be affected by such subsequent happenings as : the death of an individual; or the resignation of individuals from positions in Industry or Government, or membership of organisations; or the promotion of individuals; or changes in the capital, or business policy of limited companies, or the amalgamation of such companies; or marriage or dissolution of marriage; or the modification of the opinions of individuals; or some other circumstance.

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## INTRODUCTION

THIS book is a study of the personnel of the Tory Party and the opinions of leading Tories who have held the reins of Government for eight years; its object is to show the true character of Toryism or Conservatism.

As a formal title *Tory* was superseded in 1830 by *Conservative*. In the words of General P. Thompson writing in 1842, "The Tories in Great Britain are defunct; they are all vaccinated into Conservatives". As a formal name *Conservative* was changed to *Unionist* in 1886. *Conservative* and *Unionist* were partly replaced by *National* in 1931. In municipal politics the Tories have a variety of other names.

*Tory* is not a precise word, but in this book it is used in a precise way. *Tory* and *Conservative* are used as if synonymous and are applied to all Government supporters alike. The word *Unionist*, which is still only applied strictly to members of the Conservative Party, has been avoided. The distinction in practice between *Unionist*, *Conservative*, *National*, *Liberal-National*, and *National-Labour* is so obscure that in a serious political study any separate treatment is undesirable. Liberal-National and National-Labour politicians sit in a Cabinet dominated by a majority of strict Conservatives; this Cabinet depends upon a Parliamentary majority 90% of whose members are strictly Conservative. Some Liberal-National and National-Labour politicians have never once been known even to abstain from voting for this truly Tory Government.

Any study of a part of society must be in some degree static. A particular condition of things can only be portrayed at a point of time. The most up-to-date book can still only describe recent history. Before this book is published a small percentage of the facts are no longer true. A few Tory M.P.s mentioned have already died; the composition of the Cabinet has slightly changed; other Tory M.P.s may already have severed connections with businesses with which they are stated to be associated, or may have resigned from political organisations of which they are stated to be members.

The composition of the House, of the Cabinet, and of all the Ministries throughout this book is that of December 1938.<sup>1</sup> Material taken from Year-books is, unless otherwise stated,

<sup>1</sup> See "Vacher's Parliamentary Companion", December 1938.

from the volume for 1938.<sup>1</sup> Material from the press is in some cases more recent.

Although a small percentage of the facts may no longer be true, the conclusions are not affected. Most of the conclusions would be the same if the facts were ten years old, though many of the names would be different. The essential character of the Tory Party will be the same in 1940 as it was in 1938.

The many people mentioned in this book, their activities, habits, and opinions, are not of profound importance taken individually; but each name and fact symbolises the character of a group in British society or of a whole social class. The men and women are not mentioned for their own sake, but as illustrations of the sort of men and women who compose the Conservative Party.

The retirement from the House of Commons of a dozen members makes little difference to our conclusions, if they are replaced by a dozen new members similar to themselves. The recruitment of a dozen men to the peerage will add nothing to our conclusions on the aristocracy, if they are the same sort of men as the other recipients of Honours during recent years.

As this book shows, the basic character of the Conservative Party has changed only very gradually over a period of many decades. The conclusions about the Tories from the facts in 1938-39 will remain true for many years to come. The general objects of Tory policy in the coming period are readily predictable. But the Tories do not decide the course of events. The Tories are compelled to manoeuvre in order to influence events in conformity with the general objects of their party. Hence the opinions of leading Tories on particular questions are found to change. Some of the opinions of Tory M.P.s quoted in this book may no longer be held, but they are nevertheless a good guide to the way Tories react to events at home and abroad, if the date at which they were expressed is not forgotten.

It is hoped that material in this book will be useful, not only to those who seek a picture of the Tory Party as a whole, but also to the members of particular constituencies who require material for election purposes. The "Note on Books and Research" at the end of the book will be found helpful to those who desire to supplement the facts given here.

<sup>1</sup> Burke's "Peerage", "Who's Who", "The Directory of Directors", "The Stock Exchange Official Year-book", etc.

Finally in regard to accuracy of detail or emphasis the author requests the reader's tolerance. In the words of the Editor of the first Parliamentary Companion: "Of the labour bestowed upon this undertaking no estimate can be formed by persons unaccustomed to literary drudgery; nor probably could the most experienced compilers—otherwise than from actual observation—form an adequate notion of the toil with which its materials have been accumulated and corrected, classified and condensed. . . . When in tens of thousands of instances there existed a liability to error, it is hoped that a favourable construction will be put upon the few inaccuracies that may possibly appear; and that they will not be imputed to haste or negligence—still less to intentional misrepresentation".<sup>1</sup>

<sup>1</sup> From "Dodd's Parliamentary Companion", 1833.





## CHAPTER I

### *Democracy in Tory Hands*

"As the years go on I am getting a lower opinion of the Parliamentary solution of great problems."—the late Lord Runciman, quoted by A. J. Cummings, *News Chronicle*, April 14th, 1934.

THE spread of democratic constitutions over Europe and the world throughout the eighteenth, nineteenth, and early twentieth centuries is being rapidly and catastrophically reversed to-day. Parliaments in many countries have been destroyed or emasculated. Powerful political parties have arisen with an avowed purpose of destroying democratic constitutions and replacing all representative machinery by the autocratic rule of their party. In Italy, Germany, Japan, and many smaller countries such political parties have succeeded in their purpose.

The most characteristic institution of democracy in modern capitalist society is a Parliament. Without some kind of representative body, such as our House of Commons or even wider representative institution, democracy is impossible. But the existence of a Parliament alone is no guarantee that it will function in a democratic manner. Thus if the franchise is unduly restricted, as it was in England in the early nineteenth century, it is impossible to speak of Parliament as democratic. If the people are allowed to vote only for the Government's nominees, as in Germany to-day, then it is clearly impossible for the elected "Parliament" to represent the wishes of the people.

Even where the people have all those formal, legal, democratic rights which we associate with a democratic constitution, such as equal franchise, absence of property qualification for Parliamentary representatives, and so on, we may still find in practice that many actions of such an elected Parliament are in no real sense democratic.

Thus in Germany, only the active assistance of the right-wing Governments of von Papen and von Schleicher, both responsible to the constitutionally and democratically elected Reichstag, enabled the Nazi Party to obtain power in 1933. With the single exception of General Franco in Spain, the active assistance or at least acquiescence of Parliamentary majorities has been essential to those who have sought to destroy de-

mocracy. Fascism has never yet succeeded without the assistance of a Parliamentary majority. Only in Spain has it ever seriously attempted to overthrow a democratically elected Government.

Before the rebellion of General Franco the Spanish Parliament was a powerful representative assembly. Under the Popular Front Government, and with the backing of popular organisations, it was able to pass reforms which were centuries overdue. Native reaction was powerless against such an assembly, and was reduced to seeking the aid of foreign countries to regain by force of arms what they had lost by the ballot-box. Thus one of the most important lessons we should draw from recent events in Europe is that the safety of our democracy depends to a great extent upon the determination of our elected Parliamentary representatives to resist encroachments on our democratic rights. If we are concerned lest the anti-democratic virus which has infected Europe should attack our own institutions, we should direct our attention to the members of the British Parliament, and especially to the party in power.

Recent events have shown that a great body of Conservative M.P.s are indeed prepared to acquiesce in considerable restrictions on their own rights. In the debate following the Munich agreement on October 6th, 1938, even Conservative M.P.s protested against the Government's treatment of Parliament. Mr. Winston Churchill said :

“ After all, we are passing through a period of very rapid daily change in Europe of the most disturbing character, and it does not seem quite right that Parliament should go away for twenty-five days as if nothing was going on and as if it had lost interest in matters which affect the whole future of this country. It is derogatory to Parliament, it seems to me, that it should be thought unfit as it were to be attending to these grave matters, that it should be sent away upon a holiday in one of the most formidable periods through which we have lived. I know that there is a certain undercurrent of derision of Parliament even among its own Members, and a feeling no doubt among Ministers ‘ What relief it will be when we have got them sent about their business and we can get on with our work ’. That is exactly the idea which in other countries has led to the institution of dictatorships, the

same process of impatience with the Parliamentary machine which has swept it away and has led to its replacement by one-man rule."

Mr. Harold Macmillan, Major Milner, Sir Archibald Sinclair, and Major Attlee all expressed a similar concern at the Government's making grave decisions without consulting Parliament. The Government's ability to treat Parliament in this high-handed way depends indeed upon the passive acquiescence of those M.P.s who compose the Government majority. Other evidence of the attitude of Conservative M.P.s is to be found in the attendance figures for various important debates. We quote the opinion of a Conservative member of Parliament describing the debate on National Defence in November 1938 :

" Critics of the Government from all parties were present in force; the majority of its supporters were absent. The Government may derive satisfaction from the thought that many of its supporters have such confidence in it that they do not even wish to hear its account of the past or its policy for the future on the most vital question which faces us to-day : others will be left uneasily wondering whether such ostrich-like confidence augurs well for the survival of our democratic institutions in these parlous times." <sup>1</sup>

This is only a small part of the evidence which has accumulated showing an attitude of irresponsibility on the part of Conservative M.P.s towards our democratic institutions.

But before we consider the reasons for this irresponsibility more closely, it is important to show the value to us of our democratic institutions. All adults, with a few unimportant exceptions, have the right to vote in Parliamentary elections and the right to stand for election. What would happen if these rights were lost or severely limited ?

The right to vote was only conceded to the people in the nineteenth century. Before 1832 the electorate was less than a quarter of a million, compared with nearly 30,000,000 to-day. The Reform Act of 1832 added about 450,000 voters, an Act of 1867 about 1,000,000 voters, an Act of 1884 a further 2,000,000. The town worker only obtained the vote in 1867, and the country

<sup>1</sup> Letter by Commander R. T. Bower, Conservative M.P. for Cleveland, Yorks, *The Times*, November 16th, 1938.

worker in 1884. The Reform Act of 1918 inaugurated the principle of "one man one vote" and gave the vote to women over thirty, and so increased the electorate to 21,000,000. The Act of 1929 gave women equal rights with men, and increased the electorate to 28,850,000.

In these days of an almost universal franchise, when there is no property qualification for Members of Parliament, and when anybody with enough money to pay a deposit is permitted to stand as a candidate, it is easy to forget that in the not very distant past candidates had to fulfil definite qualifications. Our constitution was such that Parliament was prevented from any direct representation of the people. An Act of Queen Anne's reign stated that a member of the House of Commons had to have "an estate in land which in the case of a knight of the shire must be worth £600 a year, in the case of a burgess £300". The property qualifications for M.P.s, though modified, were finally abolished only in 1858.

England was, in fact, even under a Parliamentary system, ruled by an oligarchy which no political action within the constitution could challenge. In the words of Sir Reginald Banks, M.P.,<sup>1</sup> ". . . only in very recent times has England ever pretended to be a democratic state. The great Parliamentarians of the eighteenth and early nineteenth centuries repudiated with disgust any such theory."

Until 150 years ago this oligarchy consisted almost entirely of the landed aristocracy and gentry. By the beginning of the nineteenth century, however, we find the industrial, banking, and merchant classes already occupying a proportion of the seats. Thus in 1818 in a House of Commons of some 600 members there were over 50 bankers, merchants and business men; these 50 included 23 bankers, 3 directors of the Bank of England, 6 manufacturers, 2 directors of the East India Company, 12 merchants, 4 brewers, 1 director of an insurance company, 1 manager of a private post, 1 printer, and 1 bookseller. All the rest were landowners or the nominees of big landowners, a number of whom also owned and worked mines.<sup>2</sup>

These facts make it clear that in 1818 an oligarchy naked and unashamed was in power; a narrow, privileged section of society

<sup>1</sup> "The Conservative Outlook", 1929.

<sup>2</sup> E. Halévy, "A History of the English People", (1912); Pelican Edition, 1937, I, 190.

carrying through a policy in accordance with its own interests, though tempered by fear of revolt.

The extension of the franchise, carried out by a series of Acts of Parliament, did not immediately result in any outstanding change in the composition of Parliament. Sir Thomas Erskine May, writing in 1878, said : " It may be too soon yet to estimate the results of the new constitution. Rank, property, the employment of labour . . . have apparently retained their ascendancy." <sup>1</sup>

To what extent is the oligarchy still in power to-day? " Rank, property, the employment of labour " still exist, but how far are they represented in Parliament? This is a question which will be answered in great detail in this book.

But the extension of the franchise and the abolition of the property qualification for M.P.s did result in a great change of policy. Politicians, whether Liberal or Tory, had to include some popular demands in their programmes. For many years the electorate when exercising the vote could only choose between a Liberal and a Tory; but the very existence of two political parties in the State resulted inevitably in a vigorous competition for votes. Both parties retained or won votes by introducing important reforms in almost every department of public service.

The expenditure on all social services went hand in hand with the extension of the franchise. The first Government grants in aid of education were made in the year 1833, soon after the first Reform Act. But even in 1851 total grants for education were only £150,000, compared with £17,500,000 in 1913-14. Compulsory education until the age of twelve was only introduced in 1876, and the State did not intervene in secondary education until 1902. The first public intervention in favour of better housing for the working classes was in 1890. Sanitary authorities were not set up throughout the country until Acts of Parliament in 1872-5.

The campaign for adequate factory legislation was closely bound up with the efforts for electoral reform which resulted in the Reform Act of 1832, but child labour, and woman labour in the mines, were not entirely abolished until many years later. The maximum working day in textile factories was not finally limited to ten hours until 1874. The competition of the two

<sup>1</sup> " Constitutional History of England ", III, 442.

political parties for votes played a great part in every reform in the nineteenth century.

At the beginning of the twentieth century the Labour Party came into the field. The formation of the Labour Party was made possible by the great growth of the Trade Union movement at the end of the nineteenth century. Although big popular movements had many times wrested concessions from the older political parties, there was a growing consciousness that any radical improvement in social conditions could be won only by the formation of a political party of a more democratic character. The serious legal restrictions on the right to strike, which the older political parties refused to remove, was the particular question which caused a widespread movement of protest and provided the initial impetus which led to the formation of the Labour Party. Since that time the older political parties have been compelled to respond more readily to popular movements, for fear of losing support to the Labour Party.

Since the formation of the Labour Party the competition for votes has become tremendously greater. The Conservative Party has succeeded in maintaining the allegiance of so great a part of the population only by introducing or supporting reforms of a magnitude unheard of in the nineteenth century. The Great War also accelerated the growing dissatisfaction with the older political parties.

Between 1913 and 1930 State expenditure on Education increased from about £17,000,000 to £50,000,000; expenditure on Public Health, Labour and Insurance from £14,000,000 to £85,000,000; contributions to Local Government Services from £10,000,000 to £28,000,000.<sup>1</sup> These increases are all much greater than would be anticipated simply from the increase in prices or from the increase in the national income over the same period. In fact, our social services are historically a product of democracy. The right to vote has been an essential part of the mechanism by which big popular movements have succeeded in achieving their ends. In the absence of any franchise, a government can turn a deaf ear to those popular demands which it is compelled to concede under a democratic constitution. An autocratic government only has to listen to the whisperings of revolt, while a government elected by ballot must attend to the wishes of those who threaten to vote it out of office.

<sup>1</sup> G. D. H. and M. I. Cole, "The Condition of Britain", 1937.

A curtailment of democratic rights to-day must inevitably bring with it a drastic curtailment of all social services. If the franchise or the right of association is restricted, drastic economy in the social services is certain to follow. The right to organise in free Trade Unions is also a product of democracy. The destruction of the Trade Unions would be immediately followed by a big fall in the standard of living of almost the whole working population.

Another outcome of democracy is that questions of peace and war are to some extent in the hands of the people. Before the Great War, foreign policy was discussed in the House of Commons only occasionally. Since the War every major event in foreign affairs has been debated. Without our democratic rights the British people, like the German people to-day, would be simply the helpless victims of every adventure a warlike Government wished to pursue.

Since 1931 democracy in Britain has suffered a serious setback. Until 1931 social progress had been almost uninterrupted for 100 years. The idea that progress was inevitable was part of the settled outlook of the average man. Since 1931 that progress has in most cases stopped, and in many cases there has been a serious retrogression.

For the first time in a century there has been a great increase in the proportion of taxation paid by the working-classes. For the first time for nearly a century, heavy taxes on food-stuffs, largely borne by the poorer classes, have been imposed. The ideal of "secondary education for all" supported by the Hadow Report has been postponed indefinitely, and the Board of Education has declared in favour of fees in secondary schools and a Means Test for scholarship winners.

The use of the Official Secrets Acts against journalists,<sup>1</sup> the passing of the Incitement to Disaffection Act, 1934, the curtailment of the right of public meeting and procession, illustrate a definite movement for the first time in a century (if we except the period of the Great War) towards a restriction of democratic liberties.

The Conservative Party, which has been in power since 1931, must bear the full responsibility for this retrogression. The National Government and its supporters, whether members of

<sup>1</sup> Since this chapter was written the Official Secrets Acts have been amended in response to numerous public protests.



the Cabinet, Parliamentary Secretaries, or back-benchers, are responsible. Some M.P.s only rarely attend a debate in the Commons, are active in business outside Parliament, and leave the government of the country to their party colleagues. Others, not necessarily Cabinet Ministers, are professional politicians, who spend all their time on Government or party business. Again, even within the Cabinet itself, one man may play a far more important part than another. But it is important to understand that from a political point of view the whole body of M.P.s who accept the Government whip share responsibility for the actions and the policy of the Government. Their support of the Government may often be passive rather than active but the Government nevertheless depends on them for its continued existence.

It is the Conservative M.P.s who can decide the composition of the Cabinet and who can change that Cabinet if its policy is unsatisfactory. Such a change can take place without any adverse vote in Parliament, simply by backstairs negotiations. Most Ministers come and go without the reasons being discussed in Parliament.

An examination of Conservative M.P.s in the present Parliament, which is the main purpose of this book, is therefore necessary to an understanding of the motive force behind the policy pursued by the National Government.

The character of our Parliamentary representatives is of the greatest consequence for the future of Britain. The survival of democracy depends finally upon the determination of the population to defend it against dangers from without and within; the presence in Parliament of M.P.s who represent that determination, and are resolved to do all in their power in their own sphere to assist in the defence of democratic institutions and rights, can be a factor of great importance. One of the greatest dangers which democracy on the Continent has had to face has been the disruptive activities of Parliamentary minorities working to overthrow democracy.

We shall not examine the M.P.s who support the present Government as to their opinions on this vital question alone, for their expressed opinions may be very deceptive. An M.P. is not just an "independent" person who can decide in an abstract way on the best policy. His opinions are to a great extent dictated by his surroundings. Let us quote

from a Conservative M.P.—Mr. Hely-Hutchinson (M.P. for Hastings) :

“ It is not the fault of politicians that their trade is what it is. Let us consider the nature of that trade. The politician comes to the market representing an *interest*, a group of people who have an end—or several ends—to serve and consider him to be the man to appear as their broker-advocate, to negotiate with other groups on their behalf. . . . ” <sup>1</sup>

We should never forget that an M.P. is chosen before he is elected. The electorate has no opportunity to decide what Conservative candidate they will vote for. The Conservative Party selects a candidate for whom the electors must vote if they vote Conservative. The Conservative candidate is chosen as the most suitable advocate and representative of a group of people who dominate the Conservative Party. He is bound by many ties to serve the “several ends” of that group. The character of a party may be judged from the kind of man it chooses to represent it.

Who are the people who choose him, and what are their ends? If we can answer these questions we shall understand far more accurately the true character of our M.P.s than by a study of their expressed opinions. The Conservative candidate in an election studies carefully the wishes of the electorate when making his election speeches. When speaking in Parliament he will be far less frank than among his friends in the Carlton Club.

The real opinions of any body of men are inseparable from the opinions of that section of society from which they come and in which they live. Education will help to determine the character and convictions of the M.P., as of all other human beings. His parents, his environment, his training, his past profession, his possessions, his present friends, acquaintances and relatives—the sum total of these things will determine his outlook on life, and will give us a very good guide as to how he is likely to behave, while explaining his past behaviour. Few can escape from the twin influences of birth and environment.

In the vast majority of cases it will be an M.P.'s life and activities in the world outside Parliament which will motivate a particular course of action in Parliament, whether or not he has a personal axe to grind. A man will never be chosen to defend the

<sup>1</sup> M. R. Hely-Hutchinson, M.P., “Capitalism?”, 1933, p. 41.

interests of some group in society unless there is good reason for trusting that he will do so faithfully. A man cannot act against the interests of the section of society in which he lives without being soon excluded.

A study of the social composition of the Conservatives is therefore certain to tell us a great deal about their policy which we cannot otherwise fully understand. This is the main task we have set ourselves. At the same time we shall illustrate, though in much less detail, the opinions of these M.P.s, drawing on occasion from their books, which are sometimes a more reliable guide to their real opinions than Parliamentary speeches carefully framed with an eye to the Press. We shall also point in many cases to the consequences in legislation which have resulted from the facts which we give, though any detailed study of legislation over even a short period is such a formidable task that our references to it must be brief in a book primarily concerned with causes rather than effects.

The proper functioning of a democracy depends upon the power of the electorate to influence the actions of those who govern. The degree to which our M.P.s respond to public opinion must depend upon how far the electorate understand both the particular issues and the character of the M.P.s whom they are attempting to persuade. Further, the character of our Parliamentary representation cannot improve unless wide sections of people understand the shortcomings and political bias of our M.P.s to-day. We quote the words of an old Tory tract of 1702 :

“If a candidate for Parliament has ever sate in that House before, the electors ought to be satisfied how he attended and how he voted, especially in all critical and important questions wherein men more particularly distinguish themselves, either for affection, wisdom, or courage, or all of 'em. . . . If the candidate has never been a member before, the next certain indication is his conduct in his own country on all public occasions. The electors should examine what sort of men he constantly favoured : what party he has always joyn'd.”<sup>1</sup>

Blackstone wrote that only such people should be elected to Parliament, “as are most eminent for their probity, their

<sup>1</sup> C. S. Emden, “The People and the Constitution”, 1933, p. 117.

fortitude, and their knowledge", for "if by any means a misgovernment should any way fall upon it, the subjects of this kingdom are left without all manner of remedy".

When we speak of democracy being threatened we mean, in the language of Blackstone, that a "misgovernment is falling upon Parliament", and the British people are in danger of being "left without all manner of remedy".

The people still have a remedy, for they can still elect M.P.s who will represent their interests and defend their democratic rights.

How much does the average Englishman know about the members of our present House of Commons? Over 400 Government M.P.s sit in the House of Commons. Each one was elected by thousands of votes. Yet how many of those voters could give a clear account of the man (or woman) whom they have elected, or of the party for whom they have voted? Ask any man in the street the following questions:

Who is your M.P.?

What are your M.P.'s opinions on the important questions of the day?

How frequently does your M.P. attend Parliament?

How does he vote in Parliament?

Does he speak in important debates, and do you follow his speeches?

How did your M.P. earn his living before he was elected? Has he still some important occupation apart from his Parliamentary duties?

Is he a man of great wealth?

Does he show a constant interest in your problems, or is it merely a cyclical enthusiasm, shown only during the brief campaign of a General Election?

Do his actions in Parliament tally with his election speeches?

Before we turn to a detailed consideration of the character of the Government M.P.s, it is important to illustrate briefly the urgency of the problem. There are many Conservative M.P.s whose presence in Parliament is in every sense absolutely indefensible from a democratic standpoint. The present leaders of the Conservative Party proclaim their support of democracy. How can this be reconciled with the endorsement by Conservative Head Office of candidates who are open supporters of Fascism, not simply on the Continent, but in Britain?

Sir Thomas Moore (Conservative M.P. for Ayr Burghs) is an example in point. On April 25th, 1934, he put his name to a newspaper article entitled, "The Blackshirts have what the Conservatives Need". Sir Thomas Moore gives his opinion on the close affinity between the Tories and the Fascists. Describing the Fascist rally in the Albert Hall, he wrote :

"There was little if any of the policy which could not be accepted by the most loyal follower of our present Conservative leaders . . . surely there cannot be any fundamental difference of outlook between the Blackshirts and their parents the Conservatives . . . the most casual examination of its members satisfy one that it is largely derived from the Conservative Party. . . . Where, therefore, is the gap between them? . . . Why should there not be concord and agreement between that old historic party . . . and this new and virile offshoot." <sup>1</sup>

Sir Thomas Moore was re-endorsed as Conservative candidate in the 1935 election.

This Fascist supporter has won his position in Parliament only with the endorsement and assistance of the Conservative Party, in whose hands the future of our democracy at present rests. Of course not all Conservative M.P.s are avowed Fascist supporters, but, as we shall show later in this book, the number who are is very considerable. What are we to think of the promises of Conservative leaders to defend us against the encroachments of Fascism, when they cannot even exclude Fascists from among their own members of Parliament?

The Conservative Party is at present leading us in a tremendous and unprecedented campaign of rearmament. We are all led to assume that this rearmament is directed against the menace of Nazi Germany. What are we to think of a Conservative M.P. who says :

"I have met Hitler repeatedly. I believe him to be a great instrument of peace in the world." <sup>2</sup>

These are the words of Sir Arnold Wilson (Conservative M.P. for Hitchin). A great part of the energy of the nation is being

<sup>1</sup> *Daily Mail*, April 25th, 1934. A longer extract from this article is given on p. 234.

<sup>2</sup> *Manchester Guardian*, October 10th, 1936.

devoted to preparing against the menace of Nazi Germany, but within the ranks of the Conservative M.P.s, who have at least to endorse all major decisions on rearmament, we find a man who is not only a firm believer in Hitler's peaceful intentions, but also an ardent propagandist of the Hitler cause. As we shall show in a later chapter, Sir Arnold Wilson is representative of a large group of Conservative M.P.s.

We have already shown the close connection between the social services and democracy. To-day the urge to restrict the democratic rights of the people among a certain school of politicians is undoubtedly closely linked with the desire to curtail expenditure. It is thus very significant to find Conservative M.P.s who want to reverse the democratic process :

“The time has come for a complete reversal of the policy that children should be educated irrespective of any contribution which their parents may make.”<sup>1</sup>

Free elementary education for all is undoubtedly one of the most important democratic rights won during the last fifty years. A Conservative M.P. wants to take away this right. Is democracy safe in his hands?

The attitude of many other Conservative M.P.s to our social services is no less severe. Mr. Austin Hopkinson (National<sup>2</sup> M.P. for Mossley, Lancs.) discusses the unemployed in the following terms :

“The money taken from them (‘the better educated sections’) is distributed in doles to those who have no objection to becoming parasites, and breed like rabbits because they do not care what becomes of their children.”<sup>3</sup>

Here we see clearly that the desire to restrict a social service is combined with a contempt for the “common people”. Surely it is just this “contempt” for the common people which is a menace to democracy. A democratic system will never be destroyed by men with a real public-spirited desire to serve the common people. Mr. Hopkinson's blind lack of understanding of ordinary people is not exceptional among Conservatives. Mr. Alan Chorlton (Conservative M.P. for Bury) is reported in the *Manchester Evening News* as saying that,

<sup>1</sup> Sir John Wardlaw-Milne (Conservative M.P. for Kidderminster, Worcs.), *The G.H.Q. of E. S. D.*, 1932, p. 19.

<sup>2</sup> See *Introduction*, p. 9. <sup>3</sup> “The Hope of the Workers”, 1923, p. 17.

"Many people lived in slums solely that their children might be enabled to attend the Church schools".<sup>1</sup>

Mr. Hely-Hutchinson (Conservative M.P. for Hastings) shows very clearly the connection between this contempt for the common people and the readiness to restrict democratic rights. Among a series of suggestions for relieving unemployment he says :

"I would take away the vote from those who had been in receipt of the Dole for more than a fixed number of weeks in any year, restoring it when the recipient had been in steady employment again for a fixed number of weeks."<sup>2</sup>

If we consider the millions of people who are out of work for at least "a fixed number of weeks in any year", we can see that the proposal amounts to disenfranchising a large part of the population.

The callous attitude towards important social problems which some of the above quotations express shows itself in other ways. Thus, in discussing the most grave national problems in Parliament, Conservative M.P.s often disclose an attitude of unpardonable levity and indifference which every democrat must condemn. Capt. Harold Balfour (Conservative M.P. for the Isle of Thanet) describes the occasion when he and Lord Lynton made their maiden speeches :

"Gerard Lynton and I, during a desultory debate on the Labour Government's Unemployment Insurance Bill . . . decided we had better get our maiden speeches off our chests. . . . We had two whiskeys and sodas and . . . we came on one after the other. I cannot remember what Gerard Lynton said, except that he applied the expression of 'the stabilisation of idleness' to the Bill under debate, while I can remember ejecting the alliteration that it was 'the prostitution of the principles of insurance'."<sup>3</sup>

The people expect at least a serious sense of responsibility from their politicians.

Capt. Harold Balfour in another part of his book uncon-

<sup>1</sup> Re-quoted in *New Statesman and Nation*, May 25th, 1935.

<sup>2</sup> "Capitalism?" 1933, p. 52.

<sup>3</sup> "An Airman Marches," 1933, p. 268.

sciously condemns his own party, by suggesting that men of outstanding character and initiative are not desired within the Conservative ranks :

“ The third and more usual method of advancement (in the Parliamentary party) is via the Whips’ Office, through loyalty to the Party Machine, attention to Parliamentary duties, avoiding any form of criticism or embarrassment of the leaders, and constantly displaying what may be termed the cricket-field and public-school tradition :

‘ The voice of a schoolboy rallied the ranks.

Play up ! Play up ! And play the game ! ’ ” <sup>1</sup>

Capt. Harold Balfour, who has been promoted to the position of Parliamentary Under-Secretary of State for Air, should know the ropes ! His description suggests that the Conservative Party, especially at the top, works in an undemocratic manner. Much material in later chapters of this book will confirm this impression.

The great importance of the choice of its candidates by a political party has already been stressed. In later chapters a fairly comprehensive idea of the method of selection of Conservative candidates will be given. But we give another quotation suggesting how undemocratic the Conservative Party often is. Earl Winterton (Conservative M.P. for Horsham and Worthing), a member of the Cabinet in 1938, begins his memoirs, “ Pre-War ”, written in 1932, with a description of how he was first selected as a Conservative candidate :

“ At the beginning of October 1904 I went up to Oxford to begin the third year of a University career which had brought me many friendships and much fun in the saddle, hunting in the winter with the Bicester, Heythrop and South Oxfordshire Hounds, and, in summer, playing polo in Port Meadow ; unfortunately, my two years at the University had been barren of intellectual achievement of any value, for which the fault lay wholly with me. Early in October the Conservative Member for the Horsham Division, Mr. Heywood Johnstone, died, and on Wednesday, October 19th, I was proposed as Conservative candidate at the Selection Committee of the local Conservative Association. Thanks mainly

<sup>1</sup> “ An Airman Marches,” 1933, p. 253.



to the support of Lord Leconfield. . . . I was chosen, at the age of twenty-one and six months, to be the Conservative candidate in an important bye-election."

It would be interesting to know the arguments made for the choice of this young aristocrat, twenty-one years old, as candidate for a safe Tory constituency. Those arguments would tell us a great deal about the selection of Conservative candidates in general. It might be thought that methods have changed a lot since 1904, but this is not so; at an annual meeting of the Central Council of the National Union of Conservative and Unionist Associations<sup>1</sup> Lady Astor declared, "We have heard of young men with no political experience at all who have walked into the safest seats in the country".

It is probable that Earl Winterton was selected as Conservative candidate while still an Oxford student mainly on the grounds that he was a wealthy young aristocrat. He was not one of the people, but a member of a privileged class.

The attitude of contempt for or dislike of the people by other Conservative M.P.s, whose ideas we have illustrated, is due to the same cause. None of the M.P.s whom we have quoted belong to the people.

There are, however, over 400 supporters of the Government in the House of Commons. Our quotations illustrate the character of only one or two. They are, indeed, of great significance, for each Conservative candidate has to be endorsed by Conservative Head Office, and they thus give some indication of the character, not only of the Conservative leadership, but of the Conservative Party as a whole. Nevertheless a far more comprehensive survey of the 400 Government supporters in the House of Commons is necessary to show the character of the Party in perspective.

Further evidence of the wealth of Conservative politicians is to be found in the figures of the personal fortunes of Conservative M.P.s who have died. Of 43 Conservative M.P.s who died<sup>2</sup> between 1931 and 1938 (December), we have traced the estates of 33.<sup>3</sup> Figures for the other 10 were not available at the time of writing. The 33 Tory M.P.s left the huge sum of

<sup>1</sup> *Evening Standard*, March 30th, 1939.

<sup>2</sup> "Liberal Year-books", 1932-38, and Vacher's "Parliamentary Companions", 1938.

<sup>3</sup> *The Times* reports, except in two instances.

£7,199,151—an average fortune of £218,156.<sup>1</sup> The following figures illustrate the size of these Tory fortunes more precisely :

2 M.P.s left over £1,000,000					
12	„	„	between £100,000 and £1,000,000		
7	„	„	£40,000	„	£100,000
7	„	„	£20,000	„	£40,000
5	„	„	£10,000	„	£20,000

This sample of Conservative M.P.s is probably fairly representative. It indicates that a very big proportion of the Conservative M.P.s belong to the class of the extremely wealthy. 14 out of 33 Conservative M.P.s—i.e., about 42 %—leave over £100,000. Only 0.1 % of the community leave as large a fortune as this.

Our figures show that nearly every Conservative M.P. must pay surtax; income from investments, together with “earned” income in the form of directors’ fees, incomes from settled land (not included in the above figures), professional fees in some cases, and so on, must bring almost every Conservative M.P. within the £2,000-a-year class. The majority must pay income tax on a figure nearer £10,000 a year, and, as we shall show later, there are Conservative M.P.s who pay tax on incomes of £30,000, £40,000, and even £100,000 a year.

There is plenty of evidence from Conservatives themselves that wealth is almost always the first thing required of a Tory candidate. Miss Vera Churchill, of Poulton Women Conservatives (Gloucester), wrote to the *Daily Telegraph* :

“Whatever the facts, it is incontrovertible that only those with fairly large private incomes have any hope of being able to enter Parliament as Conservatives, while poor men affiliated to the Socialist Party have a good chance of obtaining election eventually. . . . How can wealth and political ability always go hand-in-hand? It is a pity to encourage the belief, held by many, that Conservatism is synonymous with the possession of riches and advanced years. . . .”<sup>2</sup>

<sup>1</sup> This is the average gross amount (average of 33); the average nett personality is £230,656; the figure is higher, because it is an average of 27 estates for which particulars were available and excludes 6 of the smaller estates for which particulars of personality were not published.

<sup>2</sup> *Daily Telegraph*, June 17th, 1938.

More precise evidence is given by Mr. Ian Harvey, prospective Conservative candidate in the Don Valley.<sup>1</sup> He divides candidates into three categories :

“1. Candidates willing to pay all their election expenses (£400 to £1,200) and in addition to subscribe from £500 to £1,000 a year to the local Association. Candidates in this class have an excellent chance of adoption ;”

candidates who can afford these big sums are clearly those with taxable incomes of over £10,000 a year.

“2. Candidates willing to pay at least half the election expenses and to contribute from £250 to £400 a year. They have a reasonable chance of selection ;”

and lastly,

“3. Candidates unable to pay anything towards election expenses and able to give only £100 a year or less to the Association. They have hardly any chance at all.”

At an annual meeting of the Council of the National Union of Conservative and Unionist Associations, Lady Astor,<sup>2</sup> speaking on a resolution supported by Mr. Harvey, said :

“I know the Central Office think they are all right, but I am not so sure. One of the first things they ask candidates when they come down is, ‘How much money have you got?’ That knocks spots out of youth straight away. . . . The trouble with our party is that too many people come into it just to get on. We ought to go into the party to serve the country, not ourselves. I don’t say people don’t join the Labour Party to get on, but no party contains so many socially ambitious people as ours does.”

The conclusion is that a man who is not a surtax payer with an income of £2,000 a year or over has hardly any chance whatever of becoming a Conservative M.P. The best constituencies go to the very wealthy with upwards of £10,000 a year. Further, even Mr. Harvey’s figures leave entirely out of account contributions to the Conservative Party Head Office and the very large sums which Conservative politicians spend on entertaining.

<sup>1</sup> *Evening Standard*, January 4th, 1939.

<sup>2</sup> *Evening Standard*, March 30th, 1939.

Nearly 21,000,000 people in Great Britain have an income; only about 100,000 (i.e., 0·5% roughly) pay surtax on incomes of £2,000 a year or over; only about 10,000 (i.e., 0·05% roughly) have incomes of over £10,000 a year. About 88% of incomes are less than £250 a year.

These figures suggest that our Conservative M.P.s belong to a part of society which has little in common with the man-in-the-street. "Conservatives", declares Mr. Harvey, "never cease to boast that their party is the only one which can put true democracy into effect, and yet it is they who restrict the representatives of the people by pernicious financial demands."<sup>1</sup>

Is this a pathological symptom, as Mr. Harvey believes, or is it a characteristic of the species of political party? May we still say, as did Sir Thomas Erskine May writing in 1878, that, "rank, property, the employment of labour . . . have apparently retained their ascendancy"? Since 1878 we have seen the birth and growth of the Labour Party, which has a different social basis. The Labour Party was born to challenge "rank, property, and the employment of labour".

We have still to show just how far the Conservative Party is controlled by "rank, property, and the employment of labour" to-day. In the last century Hyndman, a Labour leader, in an interview with Disraeli, demanded better conditions for the working people. Disraeli replied that better conditions would never willingly be granted by the Conservative Party and added :

"You will find yourselves beset by a phalanx of great families, men, and especially women, who will put you to rout every time."

Is this the answer which an honest man would have to give to the same question to-day? In the next chapter we show just how far the Conservative Party is controlled by employers of labour, for they are to-day the most important part of the wealthy and privileged classes.

<sup>1</sup> *Evening Standard*, January 4th, 1939.

## CHAPTER II

### *Business Men as Politicians*

"Whenever the people of Britain . . . choose persons to represent them in Parliament, whom they have found by experience to be under an influence arising from private interest, dependence on a court and the creatures of a Minister; or others that are unknown to the people that elect them, and having no recommendation but that which they carry in their purses: then may the enemies of the constitution boast, that they have got the better of it, and that it is no longer able to preserve itself nor to defend liberty."—Lord Bolingbroke, (1678-1751) "Works", Vol. III, p. 274.

"We ought to be proud of our rich men and not ashamed of them."—Geoffrey Hutchinson (Conservative M.P. for Ilford), "Commonsense about the Surtax", 1929, p. 19.

"It was all very well to say 'Drink Me', but the wise little Alice was not going to do *that* in a hurry.

"'No, I'll look first', she said, 'and see whether it's marked 'poison' or not'."—"Alice in Wonderland."

IN 1936 a British Sunday paper wrote :

"The Rt. Hon. Walter Runciman was formerly a director of the Royal Mail Steam Packet Co. His father, Lord Runciman, is director of five shipping companies and is on the board of the British Steamship Owners' Association. His son, Walter Leslie Runciman, is director of four shipping companies in addition to Lloyds Bank.

"He himself owns 21,000 £1 shares in Moor Line, Ltd.<sup>1</sup> To him, as President of the Board of Trade, fell the task of introducing in the House of Commons<sup>2</sup> proposals to grant a £2,000,000 subsidy to tramp shipping and to administer that subsidy when passed."<sup>3</sup>

This is a random example of the violation by Government politicians of the ancient principle of justice, that "no man shall be a judge in his own cause".

Every judge and jury in the courts of this country is bound

<sup>1</sup> See Share List of Moor Line, Ltd., April 18th, 1935, and April 1st, 1936. The Rt. Hon. Walter Runciman is now Viscount Runciman and a member of the Cabinet. His father died in 1937.

<sup>2</sup> See *Times*, February 2nd, 1935, and *Daily Herald*, February 28th, 1935.

<sup>3</sup> The *Stock Exchange Gazette* April 1st, 1939, in an article on the new Tramp Shipping Subsidy says: "It is interesting to recall the names of the recipients of the subsidies for the years 1935 and 1936:

	1936.	1935.
Moor Line . . . . .	£44,240	£48,327 "
etc. etc.		

by this principle. From Roman times courts of law have enforced this rule. In 1852 Lord Chancellor Cottenham decreed in favour of a canal company in which he was a shareholder. The decision was overruled by the House of Lords. Lord Campbell's judgement illustrates the vigour with which the principle was upheld even against a Lord Chancellor :

“ It is of the last importance that the maxim ‘ no man is to be a judge in his own cause ’ should be held sacred. And that is not confined to a cause in which he is a party, but applies to a cause in which he has an interest. . . . We have again and again set aside proceedings in inferior tribunals because an individual who had an interest in a cause took a part in the decision. And it will have a most salutary effect on these tribunals when it is known that this High Court of last resort, in a case in which the Lord Chancellor of England had an interest, considered his decree on that account not according to law and should be set aside. This will be a lesson to all inferior tribunals to take care not only that in their own decrees they are not influenced by their personal interest, *but to avoid the appearance of labouring under such influence.*”<sup>1</sup> (Our italics.)

But this principle is not applied to Parliament, “ the highest court in the land ”. The above example of Lord Runciman is not isolated; scores of our Conservative M.P.s act as “ judges in their own cause ”, and are legally entitled to do so.<sup>2</sup>

Who is there to enforce obedience to this principle by M.P.s and Cabinet Ministers? There is no higher court to compel obedience. Only the electorate can enforce it. If a judge decides a case of workman's compensation either for or against a company in which he is a shareholder, a higher court will quash his decision. If Parliament decides to pass a law bringing great profit to a group of its members, the only remedy is in the hands of the electorate.

For the judge to make a decision to his own personal advantage is unjust, for it will inflict unjust hardship on a party to the litigation. For Parliament to make a decision in the interests of a section of its members is unjust and undemocratic, for it is likely to inflict hardship upon a section of the people.

<sup>1</sup> *Dimes v Grand Junction Canal Company* (1852. 3 H.L. Cas 759).

<sup>2</sup> But see pages 35 and 60.

The enforcement of the principle in Parliament is thus as important to the community as its enforcement in our courts of law.

Parliament, in response to public opinion, has expressed the same opinion on a number of occasions, though in less general terms. A Committee of the House of Lords published a report in the case of Lord Murray of Elibank which had the following conclusion :

“ We think it is within our province to express our strong opinion that there should be henceforth an inflexible rule to preclude those who hold any public office from entering upon any speculative transactions in stock and shares.” <sup>1</sup>

This statement was made on the implicit grounds that such speculation might well influence a Member's conduct in that public office. An American author makes the same point :

“ Members of Congress . . . should observe the correct principle that an honourable judge does not sit in a case in which he is interested. Republics are as likely to be destroyed by a corruption of morals from within as by attacks from without.” <sup>2</sup>

A distinguished German lawyer says :

“ Whenever a Member of Parliament is closely connected with business circles outside, and especially with a particular concern, it cannot be disputed that there is a danger of the conflict of his political duty with his private interests being decided in favour of the latter.” <sup>3</sup>

A coalowner who votes or speaks on a Coal-mining Bill, a shipowner who votes or speaks on a Shipping Bill, are both guilty of breaking this unwritten law, and of acting as judges in their own cause. But the principle is violated not only when an M.P. votes in favour of subsidies for his particular industry at the taxpayer's expense ; he may belong to a small, narrow class in society and vote in favour of legislation favouring that class. A surtax-payer may vote against an increase in surtax, a factory-owner in favour of de-rating factory sites or agri-

<sup>1</sup> Perris, “ The War Traders,” 1914.

<sup>2</sup> Charles A. Beard, “ The Navy : Defence or Portent ? ” 1932.

<sup>3</sup> Weber, “ Rechtswissenschaftliche Beiträge ”, Berlin, 1931.

cultural land, a property-owner in favour of decontrolling rents, and so on. In each case the M.P. will be voting in the interests of only a fraction of 1% of the electorate. He is acting not simply as a judge in his own cause, but as a judge on behalf of a narrow section of society to which he belongs.

In the preceding chapter we have shown that our Conservative M.P.s have one important characteristic which makes them different from the people: they are all enormously more wealthy than the average elector. In this chapter another characteristic is stressed—namely, that a large proportion of the Conservative M.P.s are employers of labour and captains of industry. 181 out of 415 Government supporters in the House of Commons are company directors. Thus at least 44% of the Conservative M.P.s are employers. Many more have been directors in the past.

How big is the class of company directors? In the "Directory of Directors" for 1938 there are over 33,000 names. This may be compared with a working population (excluding housewives) of 21,000,000 and an electorate of over 29,000,000.

We thus get a remarkable contrast:

44% of Conservative M.P.s are company directors.

0.1% of the electorate are company directors.

Even these figures underestimate the position, for there is a rule that Ministers may not hold directorships while in office. The rule has been rigidly adhered to since a debate on December 10th, 1900,<sup>1</sup> when Parliament, led by Mr. Lloyd George, protested against the big profits from armaments contracts that were being reaped by Mr. Joseph Chamberlain's relations. The arms were being supplied for the conduct of the Boer War, and Mr. Joseph Chamberlain was then Colonial Secretary.

Most of our Conservative politicians who attain Cabinet rank have at some time been company directors. Thus Mr. Neville Chamberlain is an ex-director<sup>2</sup> of Birmingham Small Arms, and of Elliott's Metal Company (now a subsidiary of Imperial Chemical Industries) in which he held 23,250 Ordinary Shares in 1925.<sup>3</sup>

The rule that Ministers must resign their directorships is

<sup>1</sup> This was confirmed in the House of Commons, July 12th, 1926 and December 10th, 1935. (*Morning Post*, December 11th, 1935).

<sup>2</sup> "Directory of Directors", 1919-22.

<sup>3</sup> Share List, October 5th, 1925.



one attempt to apply the principle that "no man shall be a judge in his own cause". It is, however, little more than a concession to public opinion, for Ministers are not expected to resign directorships of private companies; they may, and often do, return immediately to their old companies on leaving the Cabinet, and they will usually retain their shareholdings whatever Government position they hold.<sup>1</sup>

The figure of 44% of Conservative M.P.s as company directors underestimates the representation of the employing-class in Parliament in another respect. Our figures for wealth<sup>2</sup> indicate that the whole of the Conservative M.P.s, with possibly a few rare exceptions, are shareholders. A large shareholder may be just as important as a director. Thus in 1926, the year of the big Coal Dispute, Earl Baldwin, then Prime Minister, held 194,526 Ordinary Shares and 37,591 Preference Shares in Baldwin's Ltd.,<sup>3</sup> owning extensive collieries. The accusation that he was acting as judge in his own cause is just as patent as if he had been a director of Baldwin's.

It should be remembered, however, that the great majority of shareholders in any large company to-day exercise no control whatever over that company's policy or activities. Only the big shareholders count. In our analysis only the figures of directorships will be used, since it is impossible to obtain comprehensive figures of shareholdings.

The 181 Conservative M.P.s who are company directors hold no less than 775 directorships. The table on page 37 shows the industries in which they are interested and the number of directorships held in each.

These directorships disclose only a part of the connections of Conservative M.P.s with industry. Many M.P.s holding no directorships are members of important industrial families. Thus Mr. R. S. Hudson (Conservative M.P. for Southport, and Parliamentary Secretary to the Board of Trade) is the son of the late Mr. R. W. Hudson, one-time head of R. S. Hudson, makers of Hudson's Dry Soap, now a part of Lever Bros. and Unilever, Ltd. Mr. G. E. H. Palmer (Conservative M.P. for Winchester) is a member of the family concerned in Huntley and Palmer's, Ltd., biscuit manufacturers. Mr. Godfrey Nicholson (Conservative M.P. for Farnham) is a member of the family concerned in

<sup>1</sup> Even shareholdings in armament firms. *Vide* Chapter III.

<sup>2</sup> See Chapter I, p. 28.

<sup>3</sup> Share List, Dec. 3rd, 1926.

J. & W. Nicholson, Ltd., manufacturers of Nicholson's Gin and Black Swan Whisky. As far as it is possible to trace, none of these Conservative M.P.s, or many others whom we could name, hold directorships themselves, but come from families concerned in the control of important industries.

COMPANY DIRECTORS AMONG GOVERNMENT M.P.'s.<sup>1</sup>

<i>Industry.</i>	<i>Number of M.P.s.</i>	<i>Number of Directorships.</i>
Banking . . . . .	16	18
Insurance . . . . .	43	49
Finance Companies and Investment Trusts . . . . .	27	42
Railways and Airways . . . . .	18	31
Shipowning . . . . .	9	19
Road Transport and Canals . . . . .	5	10
Merchants, Shipping, and Forwarding Agents . . . . .	11	20
Cables, Telegraph, and Wireless . . . . .	1	15
Iron, Steel, and Coal } (including Armaments, Engineering } Aircraft, etc.)	17	29
	42	80
Brewing . . . . .	11	20
Foodstuff Manufacture . . . . .	6	13
Tobacco Manufacture . . . . .	2	2
Patent Medicines . . . . .	3	23
Textiles and Clothing . . . . .	19	37
Printing and Paper Manufacture . . . . .	8	17
Other Manufacturing . . . . .	26	40
Hotels and Restaurants . . . . .	10	19
Retail Stores . . . . .	12	18
Newspapers and Publishers . . . . .	17	24
Cinemas, Theatres, Dog-racing, etc. . . . .	13	15
Electricity Supply . . . . .	7	45
Gas and Water Supply . . . . .	10	12
Housing and Building Materials . . . . .	14	29
Real Estate Companies . . . . .	20	52
Oil . . . . .	7	9
Gold Mines . . . . .	13	25
Other Mining . . . . .	12	17
Rubber Estates . . . . .	3	15
Tea and Coffee Estates . . . . .	7	9
Unclassified Companies . . . . .	19	21

Total Number of Directorships held by Government M.P.s is 775.

Total Number of Government M.P.s who hold Directorships in Limited Companies is 181.

Other M.P.s are connected by marriage with famous business families. Mr. M. S. McCorquodale (Conservative M.P. for Sowerby) married the daughter of Mr. J. O. M. Clark, chairman of the famous thread monopoly of J. & P. Coats, Ltd., of which the company manufacturing Clark's Anchor Thread is a subsidiary.

The directorships of an individual M.P. rarely disclose the

<sup>1</sup> Compiled from "The Directory of Directors", 1938, "Stock Exchange Year-book", 1938, supplemented from other sources.

extent of the business connections of his family: Captain Angus Hambro (Conservative M.P. for Dorset N.), member of the famous banking family, has a brother who is sub-governor of the Royal Exchange Assurance Company, and his nephew is managing director of Hambros Bank, director of the Bank of England, Great Western Railway Company, and of five other companies. The total capital of the firms in which the Hambro family has directors is over £132,000,000.

The most important single group of concerns in the national economy is perhaps the banks and insurance companies. The number of their directors who sit in Parliament is remarkable. These institutions do not influence the Government through these directors, but do play a great part in politics by direct representations to the Government and by direct contact with the Government and the Treasury. The *Financial Times* asked of a certain Minister at a time when there was a slight difference of opinion between the Government and the banks :

“ Does he, and do his colleagues realise that ‘ half a dozen men ’ at the top of the five big banks could upset the whole fabric of Government finance by refraining from re-newing Treasury bills ? ” <sup>1</sup>

The total capital of the “ Big Five ” banks, which have a practical monopoly of the country’s banking business, is over £205,000,000, but they have a total of current deposit and other accounts of over £2,010,000,000. This is a very considerable proportion of the total “ money ” of the community, and represents a power which, as the *Financial Times* suggests, could shake the foundations of a weak Government should it wish to do so.

The section of society from which bank directors are drawn can be seen from the number of their present directors who have received new peerages since 1931 at the behest of Prime Ministers of the National Government :

Bank of England.	.	.	.	.	2
Barclays Bank	.	.	.	.	1
Lloyds Bank	.	.	.	.	4
Midland Bank	.	.	.	.	3
National Provincial Bank	.	.	.	.	3
Westminster Bank	.	.	.	.	2

<sup>1</sup> *Financial Times*, September 26th, 1921.

These banks have an influence in the business life of the country quite out of proportion even to their enormous capital. They control not only their shareholders' money, but hundreds of millions of other people's money.

It is for this reason that some democratic countries have placed restrictions on the political activities of bankers. Thus, for example, in France a law passed on December 30th, 1928, forbade members of the French Parliament to accept a new directorship of a finance company or bank while sitting. The measure obtained such overwhelming public support that it was passed by 575 votes to 3.

There are no such restrictions in Britain. Here we find both bank directors becoming M.P.s and M.P.s becoming bank directors. The Bank of England has one M.P. among its directors—namely, Sir Alan Anderson (Conservative M.P. for the City of London). The National Provincial Bank has two: Lord Burghley (Conservative M.P. for Peterborough, Northants), and the Rt. Hon. Viscount Wolmer (Conservative M.P. for Aldershot, Hants). The Midland Bank has as director Lt.-Col. the Hon. G. K. M. Mason (Conservative M.P. for North Croydon).<sup>1</sup>

A considerable number of directors of the "Big Five" banks are ex-M.P.s and ex-Cabinet Ministers. Viscount Runciman, for example, has held the following Cabinet positions: President of the Board of Education, 1908–11; Minister of Agriculture, 1911–14; President of the Board of Trade, 1914–16, and 1931–7; Lord President of the Council since 1938. He was an M.P. 1899–1900, 1902–18, 1924–37.

Viscount Runciman was a director of the Westminster Bank from 1924 to 1931. On becoming a Cabinet Minister in 1931 he resigned his directorships. In 1937 Viscount Runciman was elevated to the peerage. He again became director of the Westminster Bank, but again resigned on entering the Cabinet in 1938.

Viscount Runciman was also director of the London Midland and Scottish Railway (1929–31 and 1937–8), director of a number of shipping companies, and has been President of the Chamber of Shipping of the United Kingdom. His father, Lord Runciman, who died in 1937, left £2,388,458.<sup>2</sup>

<sup>1</sup> "Directory of Directors", 1938.

<sup>2</sup> *Daily Telegraph*, September 15th, 1937.

Viscount Horne, now a director of Lloyds Bank, was : Minister of Labour, 1919; President of the Board of Trade, 1920-1; Chancellor of the Exchequer, 1921-2. All these positions are, of course, Cabinet posts. He was also Conservative M.P. from 1918 to 1937.

The important positions which these people now hold in banking are not the reward of the financial world for past services; rather have they returned to the world from whence they came.

The late Lord Stanley (Conservative M.P. for Fylde, Lancs.), who was until his death in 1938 Secretary of State for the Dominions and a Cabinet Minister, was at one time a director of Barclays Bank.

Sir John Anderson (Conservative M.P. for Scottish Universities) who has recently joined the Cabinet as Lord Privy Seal and is to be responsible for National Service and Air-Raid Precautions, was a director of the Midland Bank before his appointment.<sup>1</sup>

The directors of the big banks in this country, in fact, go in and out of leading positions in the Conservative Party and in the Government.

There are also, of course, extensive family connections between M.P.s and the boards of the big banks. Thus, for example, the father of Viscount Wolmer (Conservative M.P. for Aldershot), the Earl of Selborne, is on the board of Lloyds Bank; Lord Richard Cavendish, himself an ex-M.P. and a director of the Westminster Bank, is father-in-law of two Conservative M.P.s.

Apart from the "Big Five", there are some eleven banks (such as Hambros Bank and the Commercial Bank of Scotland) with directors in the House of Commons. An exhaustive treatment of these smaller banks is, however, too long a task to be undertaken here. In summary there are some sixteen Government M.P.s in the House of Commons who are bank directors. Directors of the big banks regard it as their right to take a great part in the government of the country; it is a tradition for them to hold leading positions in the Conservative Party.

In the world of big finance the insurance companies play a part as important as that of the banks. They have immense

<sup>1</sup> "Directory of Directors", 1938.

funds to invest, derived both from their past speculations in stocks and shares and from their actual insurance business. They too are the Government's creditors, holding £350,000,000 worth of Government stock.<sup>1</sup>

Of the 90 peers created by the National Government since 1931, no less than 35 are directors of insurance companies. There are no less than 43 Government M.P.s on the national or local boards of 32 different insurance companies. They are among the greatest concerns which have M.P.s on their boards of directors. Per million pounds the insurance companies have more economic power than the banks, for they invest a considerable proportion of their funds in ordinary stocks and shares, and thus obtain a direct and often absolute control over big sections of industry.

The directors of insurance companies go in and out of important positions in the Conservative Party in just the same way as the bankers. The following are a few relevant examples from the present Parliament :

*Guardian Assurance Company.*

*Vice-Chairman* : Lt.-Col. the Hon. G. K. M. Mason (Conservative M.P. for North Croydon).

*Director* : Capt. Sir William Brass (Conservative M.P. for Clitheroe, Lancs.).

*Phoenix Assurance Company.*

*Directors* : Major the Hon. J. J. Astor (Conservative M.P. for Dover).

Sir Charles Barrie (Liberal-National M.P. for Southampton).

Lord Burghley (Conservative M.P. for Peterborough) is Chairman of the London Board of the London and Lancashire Insurance Company, while Sir John Power, Bt. (Conservative M.P. for Wimbledon) is a member of the London Board of the Royal Insurance Company, and so on.

These four insurance companies alone have a capital of £15,000,000, and consolidated balancesheets of over £138,000,000, reflecting the huge resources in comparison with their capital over which they have control.

<sup>1</sup> Sir A. M. Samuel (Financial Secretary to the Treasury, 1927-9), *Daily Telegraph*, April 29th, 1932.

It may be pointed out that Earl Baldwin is now a director of an insurance company, and that numbers of recent Cabinet Ministers such as Lord Hailsham, Earl Winterton, Sir Samuel Hoare, and others are ex-directors. On October 27th, 1938, the *Evening Standard* commented on the possibility of Lord Hailsham's being dropped from the Cabinet :

"I expect him now to enter the councils of the great insurance companies."

The very close association between the boards of the great banks and insurance companies is apparent. Directors of the one are frequently directors of the other. Apart from these there are some 27 Conservative M.P.s who hold between them about 42 directorships in finance companies, issuing houses, and investment trusts. Some of them are very important, with a capital or funds under their control running into millions of pounds.

The members of the boards of the "Big Five" banks and the biggest insurance companies are to a great extent the heads of the biggest industries. Thus, for example, among those directors of the big banks to whom the National Government has granted peerages, we find Lord Perry, Chairman of the Ford Motor Company in Britain and in nine other countries; Lord Stamp, Chairman of the L.M.S.; Lord Pender, Governor and a managing director of Cable & Wireless (Holdings), Ltd.; Lord Davies, Chairman of Ocean Coal and Wilson's (South Wales); Lord McGowan, Chairman of Imperial Chemical Industries; and Lord Essendon, Chairman of a whole number of important shipping companies and other concerns.

The policy of the big banks, in fact, reflects the collective opinions of Britain's biggest business men. There is no division or conflict of interest between big industry and big finance, for to a large extent the men controlling both are the same. For example, most of the Conservative M.P.s we have named as being on the board of one of the "Big Five" banks or the Bank of England are also directors of important industrial or trading concerns. We give on page 43 a small selection of Government M.P.s which illustrates this point very convincingly.

The banks and insurance companies are thus closely linked with those industries which are the biggest employers of labour. It is to a large extent the same people who help to determine

the policy of industry as a whole through employers' organisations. One of the most important of national employers' organisations is the Federation of British Industries. This body was founded in 1916. It has a membership of some 2,900 individual firms, apart from about 180 Trade Associations.

<i>M.P.</i>	<i>Constituency.</i>	<i>Bank or Insurance.</i>	<i>Industry.</i>
Sir Alan Anderson Hon. J. J. Astor	City of London Dover	Bank of England Hambros Bank & Phoenix Assurance	Shipping; L.M.S. G.W.R.; <i>The Times</i>
George Balfour	Hampstead	Commercial Bank of Scotland	24 electricity companies
Sir C. C. Barrie	Southampton	Mercantile Bank of India; Phoenix Assurance	L.N.E.R.; Cable & Wireless; Ship- ping
Lord Burghley	Peterborough	National Provincial Bank; London & Lancashire Insurance (London Board)	L.N.E.R.
Lt.-Col. R. S. Clarke	E. Grinstead	North of England Protecting & Indemnity Association	Stephenson, Clarke and associated companies, subsidiary of Powell Duffryn (Coal)
Hon. R. D. Denman	Leeds Central	Marine & General Mutual Life Assurance	Rubber
W. L. Everard	Melton	Alliance Assurance (Local board)	Brewing
Major Sir Ralph Glyn	Abingdon	Griffith Tate (Insurance), Ltd.	L.M.S.; British Match Corporation
Sir P. Hannon	Moseley	Ideal Benefit Society	B.S.A.; <i>Evening Standard</i>
Lt.-Col. Hon. G. K. M. Mason	Croydon N.	Midland Bank; Guardian Assurance	Brewing
Sir Hugh O'Neill	Antrim	Colonial Mutual Life Assurance (London board)	Gold mines
Osbert Peake	Leeds N.	Royal Exchange Assurance (Local board)	Coal
E. A. Radford	Rusholme	Eagle Star Insurance (Local board)	Cement, textiles, engineering
Sir E. Ramsden	Bradford N.	Eagle Star Insurance (Local board)	B.S.A.
Brig.-Gen. Spears	Carlisle	Commercial Union Assurance (Local committee)	Cement; British Bata Shoe Company



The F.B.I. in the past has shown considerable interest in widely varying forms of social legislation. Among its first activities was its campaign against the Education Act of 1918 and against the Excess Profits Duty, as may be seen by examining its *Bulletins* for 1920 and 1921. From the beginning it opposed any increase in direct taxation.

Every year it sends to the Chancellor of the Exchequer before the Budget statement<sup>1</sup> a memorandum on the views of industry on taxation and the reforms that it desires. This memorandum is printed in Notes to the March *F.B.I. Bulletin*. M.P.s connected with or sympathetic to the F.B.I. would use these memoranda to influence the Government and the provisions of the Budget. In 1938 this memorandum included a statement that there should be no addition to direct taxation, and that all expenditure on Air-Raid Precautions by manufacturers in their factories should be "allowed" for income tax.<sup>2</sup>

Opposition to an increase in direct taxation has often been part of F.B.I. policy. Important members of the F.B.I. have played a great part in the introduction of Protection :

"In the determination of the scope and nature of that policy (protection) the F.B.I. has played a triumphant part. It has not hesitated to boast of its successful influence upon the Government. . . . By the creation of the Tariff Advisory Committee with power to alter tariffs without reference to Parliament, the Government has in fact handed over to a body in close association with the owners of industry an important legislative function."<sup>3</sup>

Readers will remember the recent proposal of the Government that in view of the enormous cost of the rearmament programme, industry should pay a National Defence Contribution. The F.B.I., together with the Association of British Chambers of Commerce, the Chamber of Shipping, the British Iron & Steel Federation, Lever Brothers, Imperial Chemical Industries, the coalowners' associations, etc., passed a resolution on May 27th, 1937, that the Bill required "drastic amendment" in order to "render it acceptable to the tax-paying community".

<sup>1</sup> *F.B.I. Bulletin*, "Taxation Notes", March 1937.

<sup>2</sup> *Ibid.*, March 1938.

<sup>3</sup> Greaves, "Reactionary England", 1936, p. 146.

Their efforts were successful. "It was decided", says the monthly "Taxation Notes" for July 1937 (published by the F.B.I.), "to bring this resolution to the attention of M.P.s. . . . It is, of course, common knowledge that the second reading of the Finance Bill was taken on the 31st May and 1st June. On both days there were a large number of speeches opposing the National Defence Contribution, and after a witty speech on the second day by Mr. Churchill, the Prime Minister announced the withdrawal of the tax." When details of the revised tax were issued in a White Paper, it was found that most of industry's objections to the scheme as at first introduced had been fully met.

The Coronation Honours List of 1937 gave considerable attention to the F.B.I. Honours were given to one Vice-President, two members of the Council, three members of committees of the F.B.I. and one correspondent abroad.<sup>1</sup> Many an Honours List tells a similar story.

The F.B.I. is only one of a whole series of employers' organisations with different specialised functions. Many have either a member of their governing body or a director of an affiliated concern among Tory M.P.s. The following is a short list of some of these organisations, together with the name of a Government M.P. who is or has been connected with them :

#### GENERAL INDUSTRIAL ORGANISATIONS (1938)

F.B.I.	<i>Vice-President</i> : Sir Patrick Hannon (Conservative M.P. for Moseley)
National Union of Manufacturers	} <i>President</i> : Sir Patrick Hannon
National Chamber of Trade	
	} <i>Vice-President</i> : Sir George Mitcheson (Conservative M.P. for St. Pancras, S.W.)
	} <i>Past-President</i> : Sir Alan Anderson (Conservative M.P. for City of London)
Association of British Chambers of Commerce	} <i>Deputy President</i> : Sir Charles Gibson (Conservative M.P. for Pudsey and Otley, Yorkshire)
	} <i>Past Hon. Vice-President</i> : Lt.-Col. the Rt. Hon. John Colville (Conservative M.P. for Midlothian North. Now Secretary of State for Scotland)
	} <i>Hon. Secretary and Member of Executive Council</i> : Mr. J. S. Dodd (National-Liberal M.P. for Oldham)
Federation of Chambers of Commerce of the British Empire	} <i>Member of Executive Council</i> : Sir Charles Gibson
International Chamber of Commerce	} <i>Chairman of the Bi-Lateral Conference, 1930</i> : Sir Patrick Hannon
British Junior Chambers of Commerce	
	} <i>Hon. President</i> : Sir Alan Anderson
	} <i>Member of the British Committee</i> : Sir Charles Gibson
	} <i>Past Chairman of Central Committee</i> : Mr. J. S. Dodd

<sup>1</sup> *F.B.I. Bulletin*, June 1937.

A complete list of such employers' organisations which include Conservative M.P.s would cover many pages. Many Conservative M.P.s are past or present officials of similar organisations concerned with agriculture, land, and property :

Central Chamber of Agriculture	{	<i>Past Chairman</i> : Col. the Rt. Hon. Sir George Courthope, Bt. (Conservative M.P. for Rye, Sussex)
		<i>Past President</i> : Sir Patrick Hannon
		<i>Past Chairman</i> : Lt.-Col. A. P. Heneage (Conservative M.P. for Louth, Lines.)
Central Landowners' Association	}	<i>Past President</i> , : Sir George Courthope
Property Owners' Protection Association	}	<i>President since 1931</i> : Sir Robert Gower (Conservative M.P. for Gillingham)

We thus see that a considerable part of the Government parties in the House are drawn from a class of society concerned with property and the employment of labour. A particular individual may not allow this to influence him in his public capacity, but the fact that nearly half our Conservative M.P.s are actively engaged in private life in the pursuit of profits for their undertakings, while many more are indirectly concerned in industry, must clearly have a decisive effect upon the general policy of the party. The great majority of Conservative M.P.s have at least one common interest in private life, for they all desire the Government to facilitate the pursuit of profit. Whether his own business is lending money at a profit or manufacturing goods at a profit, dividends are the business man's measure of success. The fact that the Conservative Party in Parliament has so large a proportion of business men cannot fail to effect its tone and outlook. In the picturesque language of Mr. Maurice Hely-Hutchinson, M.P., in his political testament:

“Finance is my trade. I have learned that it is the Mother of all business; whose Father is the desire for Profit.”<sup>1</sup>

This is, in part, the explanation of such a measure as the “De-rating” Act, 1929. The Act exempted industry from paying three-quarters of its rates, so that in the years 1930–37 industry was saved £170,000,000. Mr. Neville Chamberlain was responsible for the Bill. It is another interesting example of men being “judges in their own cause”, for the majority of Conservative M.P.s were shareholders, including Mr. Chamberlain himself. Lord Melchett explained<sup>2</sup> that Imperial Chemical

<sup>1</sup> “Capitalism?” 1933, p. 30.

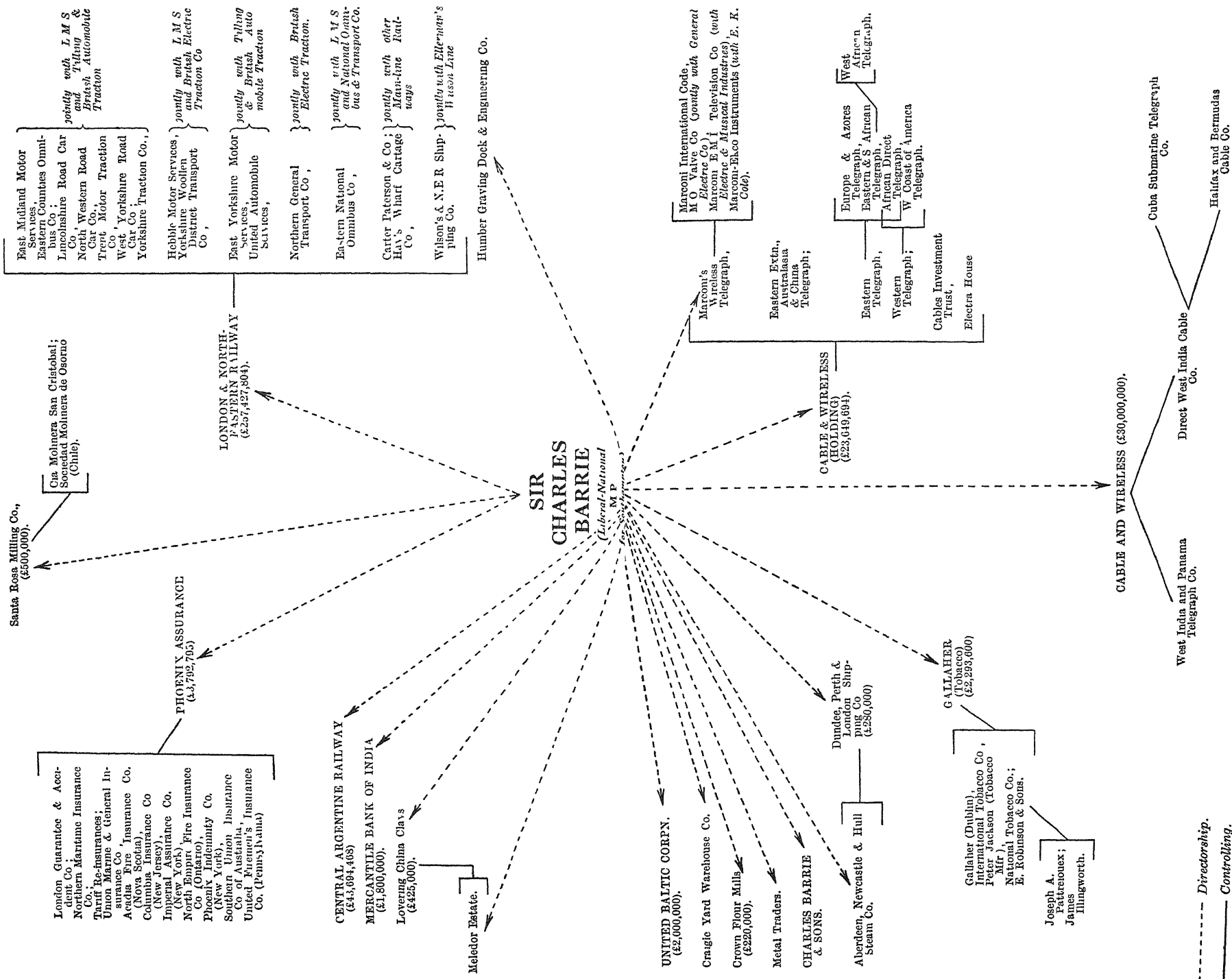
<sup>2</sup> Lord Melchett added, “It is a very nice sum for us to receive from the

Industries alone saved £200,000 a year as a result of the Act. Over £20,000,000 a year has had to be raised in other ways to meet the cost of de-rating industry. Local authorities were supposed to be compensated by block grants from the Exchequer, but the block grants are in many respects inadequate, for no allowance is made for new factories built since 1929, although the local authorities must provide the social services for the employees of these factories. The money for the block grants has partly necessitated the great increase in indirect taxation, largely paid by the poorer classes. In most cases firms already earning high profits have simply had these profits increased at the public expense.

The story of taxation in recent years is similar. From 1931 to 1936 the taxation of the wealthy remained almost stationary, while the taxation of the poor greatly increased. In 1929-30 receipts from income tax and surtax was about £294,000,000; in 1935-6 they were still only £289,000,000. Over the same period the receipts from customs increased from £120,000,000 to £196,000,000. The customs duties fall more heavily on the poorer sections of the community, who have to pay higher prices. The policy of making the poor pay, which has been pursued particularly since 1931, is the policy of a Parliamentary majority consisting almost exclusively of surtax-payers. Only since 1936-7 has the Government been compelled to increase the taxation of the well-to-do to help pay for rearmament; but the surtax-payer is still not bearing his share of the burden of defence. Indeed, the additional taxation of the wealthy has not served to counterbalance the increased profits earned from rearmament. Moreover, rearmament is to be paid for partly out of loans; the wealthy are being asked to lend sums, which they can well afford, and are paid interest for the privilege.

Taxation is the most direct way of affecting the relative positions of rich and poor. No less important are the effects of social legislation, which can do much to improve the standard of living by indirect means. What is the record of this Parliament dominated by employers in regard to labour legislation? Dr. W. A. Robson, an authority on the question, writes :

“ Our Labour Code is either obsolete or gravely deficient



Note.—Figures in brackets after names  
of companies indicate the capital.

----- Directorship.  
———— Controlling.

in regard to hours of work, child labour, safety devices, the protection of the health and lives of the workers . . . for the most part, our legislative standards have merely been sliding down gradually during the past thirty years. . . . We have fallen behind our own relative achievements in the nineteenth century and those of other countries at the present time.”<sup>1</sup>

Labour legislation inevitably limits the authority of an employer in his own factory. It informs the employer that it is no longer lawful for him to do this thing and that thing. He is forbidden to employ his workmen more than so many hours a week, he is forbidden to employ people on certain jobs if they are under a certain age, he may be forbidden to pay below a certain minimum wage. Labour legislation is an interference by democracy with an employer's authority. It is the beginning of democratic control of industry. The employer naturally believes that working conditions are a matter for individual employers, and not a matter for the Government. Employers to-day have learnt to tolerate a certain minimum of such legislation, but they are heartily opposed to any more democratic interference with their autocratic power. The *Economist* comments on the unfortunate state of affairs which has resulted from this attitude :

“ There is some danger of Britain's becoming a laggard in the matter of hours, since the 40-hour week is now observed in large sections of American and French industry. . . . Britain does not wish to be left on a par with Japan or with the slave-States over which the dictators rule.”<sup>2</sup>

A compulsory 40-hour week was introduced in France, at a time when 60 hours was by no means exceptional in unorganised industries in Britain.

Earl Winterton (Conservative M.P. for Horsham and Worthing, and until recently a member of the Cabinet) condemns legislation limiting working hours in very strong terms :

“ The prolonged general coal strike, the first of a series of disastrous coal strikes, resulted in an Act to regulate hours

<sup>1</sup> “ The Factory Acts, 1833-1933 ” (in the *Political Quarterly*, January 1934) quoted in Greaves, *op. cit.*

<sup>2</sup> The *Economist*, April 17th, 1937.

of work. This was the first of many calamitous Acts of Parliament dealing with the coal trade.”<sup>1</sup>

The regulations for workmen’s compensation have been a constant complaint of the Trades Unions and the Trades Union Congress for many years. The British Medical Association has demanded an improvement in the law covering National Health Insurance. But such reforms would inevitably cost the employers more than they are willing to pay, and more than they are obliged to, in view of their influence with Tory Governments.

Employers are not opposed only to the democratic intervention of the Government in the affairs of industry, but often resent any proposals to increase the democratic control from within. Mr. Austin Hopkinson is quite willing that concessions should be made to democracy in form, but warns other employers against making such concessions in fact :

“I see no good cause why he [the capitalist] should not call them [the workers] possessors of the capital if it please them; provided he does not surrender to them its control. Indeed, this very thing is what I am already beginning to do in that little corner of industry wherein I am autocrat . . . but mark this well: I shall still have absolute control of it . . . collective possession of capital means nothing . . . meaning nothing, it can cause no ill effect . . . but democratic control of capital is a very real thing, and one to be eschewed at all costs.”<sup>2</sup>

The political influence of a Conservative M.P. among his colleagues depends to a great extent on his standing in industry. Directorships are a particularly good positive indication, for a man who is a director of a concern of great importance is usually a man of great influence. A man with a small family business in a provincial town has not as a rule the same standing in Tory circles as the director of some concern of world importance.

Not all the 775 directorships held by Conservative M.P.s are of equal importance. Some M.P.s are members of world-famous banking families, or of industrial concerns whose business extends into every county in Britain, while others are only directors of the local emporium or gas-works.

<sup>1</sup> “Pre-War” 1932.

<sup>2</sup> Mr. Austin Hopkinson (M.P. for Mossley, Lanes.), “Religio Militis”, 1927, p. 149.

To estimate the character of the Conservative Party with accuracy it is therefore necessary to describe these directorships in more detail. The banks and insurance companies, already described, stand at the centre of our economy. Linked with them as closely as possible are the biggest industries. On the Government benches the directors of these industries sit side by side with the bankers and insurance magnates.

The description of these industrialists must have something of the character of a catalogue. But it is of great importance for the electorate to realise the extent of these industrial connections both of the Conservative Party as a whole and of their own particular elected representative.

The facts prove that many Conservative M.P.s are part of a particular, small section of society concerned with the pursuit of profit and the employment of labour. It is also interesting to note that very few important industries are *without* directors in the House of Commons, showing the extent to which the Conservative Party is dominated by this section of society. The names given below are only a selection from some of the most important industries chosen to illustrate this point.

### *Main-line Railways*

#### *L.M.S.*

Sir Alan Anderson (Conservative M.P. for the City of London).  
Major Sir Ralph Glyn, Bt. (Conservative M.P. for Abingdon, Berks.).

#### *Southern Railway.*

Rt. Hon. L. S. Amery (Conservative M.P. for Sparkbrook, Birmingham).  
Col. Rt. Hon. Sir George Courthope (Conservative M.P. for Rye, Sussex).

#### *L.N.E.R.*

Sir Charles Barrie (Liberal-National M.P. for Southampton).  
Lord Burghley (Conservative M.P. for Peterborough, Northants.).  
Major W. H. Carver (Conservative M.P. for Howdenshire).

#### *G.W.R.*

Major the Hon. J. J. Astor (Conservative M.P. for Dover).  
Mr. Harold Macmillan (Conservative M.P. for Stockton-on-Tees).



The railways are the biggest employers in Britain. The four main-line companies have over 600,000 employees. A population of over 2,000,000 is entirely dependent on the wages policy of their boards of directors. Their profits in 1937 were higher than they had been for seven years, and reached a total of nearly £38,000,000. They fell, however, in 1938 to just under £29,000,000. Not one of the 600,000 employees of these huge companies is among the Conservative M.P.s in Parliament; 9 of their 73 directors sit in the House of Commons. The Conservative Party is seen here very clearly as a party of the employing class. Even if a Conservative M.P. in a particular constituency is not a railway director, there are railway employees in every constituency to give these facts a political significance.

The railway companies are very closely linked with the banks and insurance companies. Of the 73 directors 4 are on the Bank of England; 29 are directors of other banks; 28 are directors of insurance companies, while at least 21 are coalowners or directors of iron and steel concerns.

The presence of Conservative ex-Cabinet Ministers, including Viscount Horne, Chairman of the G.W.R., Earl Peel, Mr. L. S. Amery, and others, emphasises the important part members of these railway boards play in Conservative politics. In Chapter IV we deal briefly with the railways' present "Square Deal" campaign.

### *Telegraphs*

Cable & Wireless, Ltd.

*Director:* Sir Charles Barrie, Bt.  
(Liberal-National M.P. for Southampton).

This concern has an issued capital of £30,000,000. It controls practically the whole telegraphic cable and wireless communications of the British Empire. It has over 165,000 nautical miles of submarine cables.

### *Soap and Margarine*

Lever Bros. & Unilever, Ltd.

*Director:* Clement Davies (Liberal-National M.P. for Montgomery).

"Controls greater part of soap and margarine industries of the British Empire and, together with Lever Brothers and

Unilever N.V., of Europe and other parts of the world. . . .  
Owns interests in over 300 associated companies. . . ."<sup>1</sup>

This huge concern has an issued capital of over £67,000,000. Its directors have played a prominent part in the Anglo-German Fellowship. Further reference is made to this in Chapter VIII.

### *Chemicals*

#### **Imperial Chemical Industries.**

This great concern, with an issued capital of over £74,000,000, has a virtual monopoly of heavy chemicals. Sir John Anderson (Conservative M.P. for Scottish Universities) joined the Board of I.C.I. in 1938,<sup>2</sup> and was a director until he became a member of the Cabinet. No director of I.C.I. is now in the House of Commons. Many M.P.s are or have been shareholders. Thus the following Conservatives were shareholders in 1932 or 1934 :

#### *Present Cabinet Ministers :*

Mr. Neville Chamberlain<sup>3</sup> (who held 5,414 Ordinary Shares and 883 Preference Shares).

Marquess of Zetland.<sup>4</sup>

Sir John Simon.<sup>4</sup>

#### *Present Conservative M.P.s :*

Capt. M. Bullock<sup>3</sup> (Conservative M.P. for Waterloo, Lanes.).

Mr. N. C. D. Colman<sup>3</sup> (Conservative M.P. for Brixton).

Sir Henry Page Croft<sup>3</sup> (Conservative M.P. for Bournemouth).

Rt. Hon. Sir Hugh O'Neill<sup>3</sup> (Conservative M.P. for Antrim).

### *Iron, Steel, Coal and Engineering, etc.*

51 M.P.s hold 109 directorships, for example :

Guest, Keen, & Nettlefolds (capital over £12,000,000).

Powell Duffryn Associated Collieries.

Col. Hon. Henry Guest (Conservative M.P. for Drake).

Col. Hon. Henry Guest,  
and of a subsidiary—

Lt-Col. R. S. Clarke (Conservative M.P. for East Grinstead).

Powell Duffryn has a productive capacity of over 20,000,000 tons of coal per annum in South Wales, 80,000 acres of mineral

<sup>1</sup> "Stock Exchange Year-book", 1938.

<sup>2</sup> Share List, May 3rd, 1934.

<sup>3</sup> *The Times*, May 7th, 1938.

<sup>4</sup> Share List, April 28th, 1932.

area, and coke-ovens and works, railways, house and cottage property and investments in other companies, i.e., controls about 10 % of British coal output and is the biggest single combine in the coal industry.

Lancashire Steel Corporation  
(capital over £5,000,000)  
controlling :  
Wigan Coal Corporation.

Lord Balniel (Conservative M.P. for  
Lonsdale, Lancs.).

Lord Balniel.

These concerns control the greater part of the iron and steel production of Lancashire.

Airedale Collieries (Yorkshire).

*Chairman* : Mr. Osbert Peake (Con-  
servative M.P. for Leeds N.).  
Sir Geoffrey Ellis (Conservative M.P.  
for Ecclesall).

Vickers (capital over £14,000,000).

Sir John Anderson (Conservative  
M.P. for Scottish Universities)  
until his promotion to Cabinet.

Cammell Laird.

Rt. Hon. L. S. Amery (Conservative  
M.P. for Sparkbrook).

This company is connected with Vickers through joint subsidiaries.

Birmingham Small Arms.

*Deputy Chairman* : Sir Patrick Han-  
non (Conservative M.P. for Mose-  
ley, Birmingham).

Sir Eugene Ramsden (Conservative  
M.P. for Bradford N.).

Londonderry Collieries.

*Assistant Managing Director* : Vis-  
count Castlereagh (Conservative  
M.P. for County Down).

The influence of this industry has become a tradition in British Conservative politics. The last three Conservative Prime Ministers, Mr. Bonar Law, Earl Baldwin, and Mr. Neville Chamberlain, all came from families with long associations with this industry.

The gross profits of 297 leading firms in the engineering industry during the last few years have progressed as follows :

Year.						£ Millions.
1932	.	.	.	.	.	16.6
1933	.	.	.	.	.	18.4
1935	.	.	.	.	.	34.9
1936	.	.	.	.	.	44.3
1937	.	.	.	.	.	53.6

These are, of course, largely the profits of rearmament. Remarkable as these figures are, they still greatly underestimate the true increase in profits. In the words of a chairman of one of the biggest engineering concerns, when speaking to his shareholders :

" I do not suppose that there are many of my audience who are simple enough to believe that a company's accounts, particularly a holding company, set forth the actual and exact profits earned in each year." <sup>1</sup>

Mr. Henry Morgan, past-President of the Society of Incorporated Accountants and Auditors, speaking on the increase in the number of holdings of subsidiaries held by 13 big companies said :

" In not one of the 13 companies had the full results of their subsidiary companies been given effect to in their profit and loss account." <sup>2</sup>

The claims of the engineering Trades Unions for higher wages have just <sup>3</sup> been rejected, although they show an almost negligible rise since 1932.

Other aspects of this industry are discussed in the next chapter.

### *Shipping and Allied Industries*

18 M.P.s hold 39 directorships, for example :

Anderson, Green & Co., Ltd., Managers of Orient Steam Navigation (capital over £2,000,000). Subsidiary of— Peninsular and Orient Steam Navigation (P. & O.) (capital over £7,000,000).	Sir Alan Anderson (Conservative M.P. for City of London).
United Baltic Corporation (capital £2,000,000).	<i>Deputy Chairman</i> : Sir Charles Barrie (Liberal-National M.P. for Southampton).
Clan Line Steamers (capital over £2,000,000).	<i>Vice-Chairman</i> : Major Sir Herbert Cayzer (Conservative M.P. for Portsmouth S.) (Member of the Council of the Chamber of Shipping; Chairman of House of Commons Shipping Committee).
Proprietors of Hay's Wharf (capital over £2,000,000).	<i>A Managing Director</i> : Mr. R. de La Bere (Conservative M.P. for Evesham, Worcs.).

<sup>1</sup> Mr. Arthur Chamberlain, *The Times*, December 5th, 1935.

<sup>2</sup> *The Times*, February 1st, 1936.

<sup>3</sup> December, 1938.

These are among the most important of the 39 directorships held by Government M.P.s in shipping and allied trades. We have previously discussed Viscount Runciman's long association with this important industry.

The Conservative Party in Parliament includes members of many of the most important boards of directors in British industry. Many other concerns could be listed, such as British Celanese, with a capital of nearly £9,000,000, of which Brig.-Gen. Sir William Alexander (Conservative M.P. for Glasgow Central) is director; Combined Egyptian Mills, the huge Lancashire cotton-spinning combine, of which Mr. E. A. Radford (Conservative M.P. for Rusholme, Manchester) and Sir John Shute (Conservative M.P. for Liverpool, Exchange) are directors. Associated Portland Cement Manufacturers, and British Match Corporation (Bryant & Mays) also have directors in the House of Commons, and so on.

Our biggest business men are often not associated with one particular industry; their interests may be extremely varied. As an illustration we give a chart on pp. 48-9 showing the industrial connections of Sir Charles Barrie, Bt. (Liberal-National M.P. for Southampton). This M.P. is a member of the Advisory Council of the Department of Overseas Trade, a member of the Advisory Council to the General Post Office, and a member of the Supreme Economic Council. The appointment of Sir Charles Barrie to these positions illustrates the usual Conservative practice of appointing big employers to positions on important advisory and administrative committees.

A famous squire declared at the beginning of the nineteenth century that he could "return no fewer than seven members to Parliament, since to vote the way the squire ordered was the whole duty of the tenant". The great industrial magnate has largely replaced the squire, although, as we shall show later, the landed aristocracy still send an inordinate number of men to sit in our House of Commons. Frequently we find the great industrial magnate himself or a member of his family sitting in the House.

The Conservative Party is not dominated by the small local employer, but by the section of society from which big bankers, industrialists, and merchants are drawn. A local Conservative Association, however, sometimes prefers a local candidate. The local candidate is frequently among the biggest local

employers. Thus Mr. H. Leslie Boyce (Conservative M.P. for Gloucester) is a director of a local newspaper, of the local gas company, a local canal company, and one of the biggest local engineering factories (Gloucester Railway Carriage and Wagon Company). The Rt. Hon. John Gretton (Conservative M.P. for Burton-on-Trent) is Chairman of Bass, Ratcliffe, & Gretton, which brews the famous Worthington, Bass, and other ales in the constituency. Mr. J. S. Dodd (Liberal-National M.P. for Oldham) is director of a cotton-spinning concern with a mill in the constituency.

Such local employers are frequently members of the local Chamber of Commerce, whose members usually beat the big drum in local Conservative politics. For example, Col. John Sandeman Allen (M.P. for Birkenhead W.) is a member of the Birkenhead Chamber of Commerce; Sir William Davison (M.P. for Kensington S.) is President of the Kensington Chamber of Commerce; Col. Sir Joseph Nall (M.P. for Hulme, Manchester) is a member of the Manchester Chamber of Commerce, and so on. Many other examples could be given to show how frequently the Conservative M.P. is drawn from the upper circle of local employers.

Thus in many constituencies we have an interesting situation; the Conservative M.P. actually employs many of his own constituents. This is indeed less the case than formerly, for the Conservative Party has found again and again that so soon as the Trades Unions become strong in such a constituency the position of the M.P. is threatened. It is becoming more and more the practice to choose someone almost unknown to the constituents to champion the Conservative cause. The local employer has been extensively replaced by the little-known plutocrat who is less easily made a butt of local criticism. The working class no longer look upon their employers as their "natural" leaders to the chagrin of many Government M.P.s. Mr. Austin Hopkinson, M.P., cannot understand why the working-classes have forsaken the Conservative cause :

"For my part, I cannot look upon the evil or foolish faces of some of the leaders of labour without a sense of deep humility. How greatly must we capitalist employers have neglected our duty, if the workers choose to follow not us their natural leaders, but such men as these." <sup>1</sup>

<sup>1</sup> "Religio Militis", 1927, p. 113.

Mr. Hopkinson expresses vigorously the hatred of many employers for those who challenge their authority. He shows how deep-rooted among Conservatives is the idea that rule by a wealthy oligarchy is "natural". Gladstone once said :

" We decline to recognise any class whatever, be they peers or be they gentry, be they what you will, as entitled to direct the destinies of this nation against the will of the People."

This is the true conception of Democracy, which is very different from the conception of our Conservative politicians. While the Conservative Party is in power the class of the big employers of this country direct our destinies. This class uses Parliament as a weapon to facilitate the pursuit of profit and as a means to strengthen its power and authority.

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### CHAPTER III

#### *Makers of Munitions as Members of Parliament*

"It was in a far different quarter that Wemyss believed the principal authors of the war were to be found. For years before the outbreak, he had watched the baleful activities of the armament trusts; the way in which they had, heavily subsidising the press, influenced public opinion in every country, stirring up strife and creating an atmosphere of hostility, ill-will, and suspicion between nations."—*Biography of Lord Wester Wemyss, First Sea Lord, 1917-19.*

"How cheerfully he seems to grin,  
How neatly spread his claws,  
And welcomes little fishes in  
With gently smiling jaws."

"Alice in Wonderland."

AN Act of Parliament passed in the reign of George III <sup>1</sup> made it an offence for a Government contractor to sit in the House of Commons. The purpose of this statute was to prevent the conflict between the private interests and public duty of such an M.P., which would otherwise inevitably arise. It is almost the only example of the enforcement on Members of Parliament of the principle "that no man shall be a judge in his own cause".

But in this Act of Parliament there is an unfortunate loophole: it does not apply to "incorporated trading companies acting in their corporate capacity". This means in effect that shareholders and directors of public companies contracting with the Government may sit in the House of Commons. There is nothing whatever to prevent a director or shareholder of an arms firm becoming an M.P.

The Royal Commission on the Private Manufacture of and Trade in Arms in 1936 recommended "that public officials (whether serving or retired) should not accept appointments with Armaments Firms except with the approval of the Minister in charge of the department in which they are serving or have served". One reason for this recommendation was that an inducement in the form of a highly paid appointment with an armaments firm might lead to excessively favourable treatment of the particular firm by civil servants. But a civil servant is responsible to the heads of his department, who place limits on the possible scope of his favouritism. An M.P. can, however,

<sup>1</sup> 22. Geo. III c 45.



influence the whole policy of expenditure on armaments. An M.P. can press for an increase in the Arms Estimates by which he will personally profit; he can help to prevent proper control of armament profiteers; he can affect the course of the Government's foreign policy, on which the necessity for armaments depends. The "purchase" of civil servants by armament manufacturers may be an undesirable anomaly, but the presence of armament manufacturers themselves within the legislature is open to more serious objections from the point of view of national policy. Civil servants are strictly servants of the legislature; they may even be in the unfortunate position of having to negotiate contracts with armament firms while they are all the time responsible to the directors of those concerns sitting as M.P.s in the House of Commons.

Such considerations have led to the inclusion in many European constitutions of clauses to prevent directors of armament concerns sitting in Parliament. In Czechoslovakia, Portugal, Hungary, Yugoslavia, Poland, Latvia, and Greece, the constitution does not (or did not) allow directors of armament firms to sit in Parliament.

In this country the same principle is enforced in local government. The Local Government Act, 1933, states :

" If a member of a local authority has any pecuniary interest, direct or indirect, in any contract or proposed contract or other matter, and is present at a meeting of the local authority at which the contract or other matter is the subject of consideration, he shall at the meeting as soon as practicable after the commencement thereof, disclose the fact and shall not take part in the consideration or discussion of or vote on any question in respect to the contract or other matter."

These limitations apply not only to a *director* but to a shareholder holding any shares whatever. A fine of £50 is the maximum penalty for each offence on summary conviction.

It is a little difficult to see why such provisions as these should apply to local authorities and not to the House of Commons. The ethics of this situation have frequently been matter for comment. We quote the writer of a book, published only a few months before the Great War :

" The tongue of scandal wags if a Minister sells a piece of land to the Government in which he holds a place. . . . But

the purchase of warships, guns, ammunition, and other supplies from companies in which friends, relatives, and supporters of Ministers are managers, directors, or shareholders is part and parcel of the British governing system. . . . It is, apparently, quite in order for a director of one of these companies to demand, from his place in the House of Commons, greater expenditure, some of which will go into the pockets of his firm. It is not simply in order, it is a proof positive of patriotism, that the leaders of a great Party should set themselves to create a cloud of panic which will presently burst in a blessed rain of dividends among their followers.”<sup>1</sup>

Mr. Philip Snowden, speaking in the House of Commons in 1914 of M.P.s who were directors or shareholders in armament firms, said :

“ Now, who are the shareholders ? It would be too long for me to give more than a very short selection from the list, but I find that honourable members in this House are very largely concerned. Indeed, it would be impossible to throw a stone on the benches opposite without hitting a member who is a shareholder in one or other of these firms.”

How far has the position changed since 1914 ? Among the most important Conservative M.P.s interested in armaments to-day are the following :

<i>M.P.</i>	<i>Director of :</i>
Rt. Hon. Sir John Anderson (Conservative M.P. for Scottish Universities)	Vickers (until his promotion to the Cabinet)
Rt. Hon. L. S. Amery (Conservative M.P. for Sparkbrook)	Cammell Laird.
Sir Eugene Ramsden (Conservative M.P. for North Bradford)	B.S.A.
Sir Patrick Hannon (Conservative M.P. for Moseley)	B.S.A.

These are only a few examples of directors of the most important firms. The number of Conservative M.P.s interested as directors in aircraft is at least 23 ; and many other M.P.s are directors of concerns very closely interested in armaments. Many engineering firms are only dependent on armaments for a small part of their business ; the full figures for iron, coal, steel, and engineering interests among Conservative M.P.s (51 M.P.s) are given in the previous chapter.

<sup>1</sup> G. H. Perris, “ The War Traders ”, 1914, pp. 91-2.

The most important of the armament firms is Vickers. Sir John Anderson was on the board of directors until his elevation to the Cabinet. Sir John Anderson, it is interesting to note, was first elected for the Scottish Universities at a by-election on the 21st of February, 1938. At the seventy-first Annual General Meeting of Vickers on April 1st, 1938, it was announced that he had been "elected during the year", and his directorship was confirmed for the first time by the shareholders (*The Times* report, April 2nd, 1938). Many other M.P.s have, however, been shareholders in Vickers. Past shareholders include:

Sir Robert Horne, <sup>1</sup> <sup>2</sup> now Lord Horne, one-time Chancellor of the Exchequer; Sir John Gilmour <sup>1</sup> <sup>2</sup> (Conservative M.P. for Pollok), Home Secretary, 1932-5; Sir John Wardlaw-Milne <sup>1</sup> <sup>2</sup> (Conservative M.P. for Kidderminster, Worcs.); Mr. Harold P. Mitchell <sup>2</sup> (Conservative M.P. for Brentford and Chiswick); Lord Hailsham, who was Lord Chancellor 1928-9, Lord President of the Council in 1938, Secretary of State for War 1931-5, was a shareholder in 1932.<sup>1</sup>

The armaments work of Vickers is done in the main by its subsidiary, Vickers-Armstrong, which was described by the chairman of Vickers at the Annual General Meeting in 1931 as "the largest armaments firm in the world".<sup>3</sup> The capital of Vickers is now over £14,500,000; the capital of Vickers-Armstrong is over £17,000,000. In 1931 and 1932 there seemed a real hope of the disarmament of nations. At the Annual General Meeting in 1932 the Chairman complained that:

"The general world trade depression and the reduction of armaments under the influence of public opinion, both in this and in other countries, have affected adversely your Company's trading results."<sup>4</sup>

There need have been no alarm. The Disarmament Conference failed; the League of Nations, a "fancy convention" and a "troublesome organisation",<sup>5</sup> as the chairman of Vickers called it, was deserted and the world plunged into the biggest arms race in history. Great Britain began her rearmament programme.

As public expenditure on arms increased, Vickers' dividends rose from 4% in 1933 and 8% (with a capital bonus of 50) in

<sup>1</sup> Vickers, Ltd., Share List, April 18th, 1932.

<sup>2</sup> Vickers, Ltd., Share List, April 9th, 1934. <sup>3</sup> *The Times*, March 31st, 1931.

<sup>4</sup> Annual Meeting, 1932, *The Times*, April 5th.

<sup>5</sup> Letter from Sir Charles Craven, September 10th, 1930, read at Nye Commission (Nye Commission I, 333).

1935 to 10% in 1936 and 10% in 1937. In March 1938 the *Stock Exchange Gazette* declared :

“ The great armament business has naturally experienced its best year since 1918. . . . The trading profit, with dividends received from subsidiary companies, amounted to £2,020,658, which is an increase of £401,410, or about 25%. The nett profit is £1,351,056, an increase of 16·2%.” <sup>1</sup>

Vickers has large interests abroad. At the Royal Commission, Vickers declared that they held 21% of the capital of La Sociedad Española de Construcción Naval in Spain, engaged mainly in armament and shipbuilding work, to which Vickers-Armstrong, jointly with John Brown & Co., act as technical advisers. They also control Placencia de las Armas, which holds 22% of the capital of Experiencias Industriales S.A., a company engaged in armaments and other work.<sup>2</sup>

At the Nye Commission on Armaments, a letter from Sir Charles Craven, Chairman of Vickers-Armstrong, written in 1934, was read. It contained the following statement :

“ Of course, things look very stormy in Spain at present, and I sincerely hope nothing will be done to check the swing to the Right which has recently taken place, because the present Government look as if they were going to be most sympathetic to the Sociedad and give us a modest Naval programme, which, I can assure you, is very sorely needed to keep the place going.” <sup>3</sup>

Vickers and associated companies still have considerable “ holdings ” in two Japanese arms firms : 25% of the capital of Kabushiki Kwaisha Nihon Seikoshō, (Japanese steel works) engaged in manufacture of ordnance, machinery, etc., connected with the Mitsui concern, the great Japanese combine ; <sup>4</sup> and 20% of the capital of another company, now mainly a holding company. During one of the meetings at the Royal Commission on the Private Manufacture of and Trade in Arms, Sir Philip Gibbs asked Sir Herbert Lawrence : <sup>5</sup>

“ But you would actually get some advantage from a

<sup>1</sup> March 26th, 1938.

<sup>2</sup> “ Stock Exchange Year-book ” and Day 13 of Royal Commission, 1936, Minutes of Evidence.

<sup>3</sup> Nye Commission, I. 217.

<sup>4</sup> Royal Commission, 1936, Day 13, pp. 350, 351.

<sup>5</sup> One time Chairman of Vickers.

very big naval policy in Japan?' Sir Herbert Lawrence, 'Certainly'." <sup>1</sup>

Another important arms firm is Birmingham Small Arms. The M.P.s directly concerned are Sir Patrick Hannon (Conservative M.P. for Moseley, Birmingham, since 1921), who has been director of B.S.A. since 1925, and is now deputy chairman; and Sir Eugene Ramsden (Conservative M.P. for Bradford North, 1924-9, and since 1931); he has been a Director of B.S.A. since 1937. Sir Eugene Ramsden is a leading figure in the Conservative Party; he was elected chairman of the Executive Committee of the National Union of Conservative and Unionist Associations in 1938 and was to have been Chairman of the Conservative Party Conference in 1938.<sup>2</sup> Past-directors include Mr. Neville Chamberlain, who was director of B.S.A. from 1919 to 1922.<sup>3</sup> The firm describes itself as "manufacturers of military, sporting (and) . . . machine guns . . . aeroplane parts, etc."; it also manufactures cars, bicycles, etc.

The Rt. Hon. L. S. Amery (Conservative M.P. for Sparkbrook, Birmingham) has been director of Cammell Laird & Company, Ltd., since 1933. Another director is Lord Rankeillour, who was Financial Secretary in the Ministry of Munitions 1919-21; his son and heir is a member of the House of Commons—Captain the Hon. Arthur Hope (Conservative M.P. for the Aston Division of Birmingham and Treasurer of His Majesty's Household).

They are a firm of shipbuilders and engineers, and are connected with Vickers through jointly owned companies. Dividends, like those of Vickers, show a steep rise in the past few years :

1928-34	Nil
1935	3½%
1936	5%
1937	8½%

The Chairman of Cammell Laird declared in 1934 that his company "were extremely grateful to the Admiralty for their programme (which had) saved them from disaster".<sup>4</sup>

Mr. Amery has been in the past Assistant Secretary to the

<sup>1</sup> Royal Commission 1936, Day 13.

<sup>2</sup> *Daily Telegraph*, June 28th, 1938.

<sup>3</sup> "Directory of Directors" for those years.

<sup>4</sup> Quoted by Professor Noel Baker in "The Private Manufacture of Armaments", 1936, p. 127.

War Cabinet, Parliamentary and Financial Secretary to the Admiralty, and First Lord of the Admiralty (a Cabinet post).

These are only some of the largest armaments interests. There are many others. About 23 Tory M.P.s are interested in aircraft production. Two examples taken at random are the firm of Alvis, Ltd., manufacturers of aero engines, which also shares control of another, Alvis-Straussler, Ltd.,<sup>1</sup> manufacturing "highly mechanised vehicles for military and commercial purposes".<sup>2</sup> One of its directors is Mr. Edgar Granville (Liberal-National M.P. for Eye, Suffolk). Petters, Ltd., "manufacturers of industrial and marine oil-engines, etc.", owns half the capital in Westland Aircraft,<sup>1</sup> to which the aircraft works department of Petters, Ltd., was sold in 1935. Mr. W. Craven Ellis (National M.P. for Southampton) is a director of this firm.

Vested interests in rearmament are not confined to the armaments firms, or even to the aircraft and engineering industry. Insurance companies, finance companies and investment trusts are often extensively interested in armaments. Sir Alfred Beit, Bt. (Conservative M.P. for South-east St. Pancras) was until October 1938 Parliamentary Private Secretary to the Financial Secretary to the War Office.<sup>3</sup> Sir Alfred Beit is a wealthy man; his father, Sir Otto Beit, left in his will the sum of £3,651,247 (net personalty).<sup>4</sup> He is described in the "Directory of Directors" (1938) and in the "Stock Exchange Year-book" (1938) as a Director of F.T.M., Ltd. F.T.M., Ltd., are managers of Unit Trusts. One of the two Unit Trusts managed by F.T.M. is the Producers' Investment Trust, which was known as the Aviation and Universal Investment Trust until October 28th, 1937, when its name was changed. The *Stock Exchange Gazette* stated :

"This change of names does not imply any change of policy. . . . No change is proposed in the working or management of the Trust."<sup>5</sup>

F.T.M. was known as Aviation Trust Managers until June 19th, 1936. Among the investments of the Producers' Investment Trust are :

<sup>1</sup> Air Ministry List.

<sup>2</sup> "Stock Exchange Year-book", 1938.

<sup>3</sup> For appointment see *The Times*, December 9th, 1935.

<sup>4</sup> *The Times*, January 29th, 1931.

<sup>5</sup> "Stock Exchange Gazette", November 6th, 1937.

- Anglo-Iranian Oil Company.
- Austin Motor Company.
- <sup>1</sup> Bristol Aeroplane Company.
- British Aluminium Company.
- <sup>1</sup> de Havilland Aircraft.
- <sup>1</sup> Fairey Aviation.
- <sup>1</sup> Hawker Siddeley Aircraft.
- <sup>1</sup> I.C.I.
- International Nickel Company of Canada.
- <sup>1</sup> Rolls Royce, Ltd.
- <sup>1</sup> Short Bros. (Rochester & Bedford).
- The United Steel Companies.<sup>2</sup>
- Etc.

Among these firms are many contractors to the Defence Ministries—e.g., aircraft firms and I.C.I., which manufactures explosives.

The figures of profits in the previous chapter show that most firms in the engineering industry have profited to a greater or less extent from rearmament. Rearmament led to a temporary industrial revival and a great increase in profits in many industries. A great number of Conservative M.P.s or their families have benefited personally. How many it is impossible to say, for particulars of shareholdings are not available. Certainly many of the M.P.s who are directors or shareholders in the iron, steel, and engineering industries have benefited.

It is, of course, wrong to suggest that the policy of these Conservative M.P.s has been motivated by their personal interests. The "motive" for rearmament is clearly to be found in the international situation. In face of the steady deterioration in international relations since 1933, the need for more armaments became obvious to Conservative politicians. It is not that our politicians are corrupt, but Caesar's wife should be impeccable. No man is impeccable whose personal fortunes may depend so closely upon his neglect of duty in a public office.

The extensive armament interests of Government M.P.s must make an elector view many sides of the Government's policy with suspicion. There has been, for example, a vigorous

<sup>1</sup> These firms are on Air Ministry List (see "Aeroplane" Directory of Aviation and Allied Industries).

<sup>2</sup> See Prospectus of the Producers' Investment Trust, August 1938. Sir Alfred Beit is a director of the managers of this trust.

public demand for the limitation and control of private profit from armament contracts. The public may well ask whether a political party numbering so many armament manufacturers among its M.P.s and other leading members is likely to tackle the question with that complete impartiality which the public interest requires.

The Government has appointed six business men "to receive representations as to any delays, defects, or difficulties in supply or production, under the rearmament programme".<sup>1</sup> This panel ought to be concerned partly with the control of profiteering.

The six men appointed hold between them 26 directorships. They are all on the boards of huge companies some of which earn high profits, owing to their semi-monopoly position :

Mr. J. S. Addison.	A Managing Director of Courtaulds, Ltd.
Sir George Beharrell.	Chairman of Dunlop Rubber Company, Ltd.
Mr. P. F. B. Bennett.	Chairman of Joseph Lucas, Ltd.; Deputy-President of the Federation of British Industries; Director of Imperial Chemical Industries. <sup>2</sup>
Mr. J. O. M. Clark.	Chairman, J. & P. Coats, Ltd.
Sir Geoffrey Clarke.	Managing Director of Telegraph Construction & Maintenance, Ltd.; Director of P. & O. Steam Navigation; President of the Associated Chambers of Commerce of Great Britain.
Mr. F. D'Arcy Cooper. <sup>3</sup>	Chairman of Lever Bros. and Unilever, Ltd.

Mr. Neville Chamberlain stated that they were chosen "because they were not particularly connected with armament firms". But a number of the concerns in which members of the panel are directors are contractors or sub-contractors to the Defence Ministries. Thus Sir George Beharrell is chairman of the Dunlop Rubber Company, which, although it is not an arms firm, has not only manufactured a part of the civilian gas-masks and fire-hoses, but also supplies tyres for military vehicles,<sup>4</sup> and certain material for aeroplanes; and Imperial Chemical Industries manufacture heavy chemicals, including explosives.<sup>4</sup> It may well be questioned whether such a committee of business men is likely to restore public confidence in the management of rearmament.

Two of the six business men are members of the Anglo-

<sup>1</sup> *Manchester Guardian*, December 13th, 1938.

<sup>2</sup> *The Times*, May 7th, 1938.

<sup>3</sup> Since resigned—January 26th, 1939—on grounds of ill-health.

<sup>4</sup> Also on Air Ministry List.



German Fellowship; Mr. F. D'Arcy Cooper is a member of the Council of that organisation, Sir Geoffrey Clarke is a member, Dunlops and Unilevers are corporate members. We shall discuss the significance of the Anglo-German Fellowship in a later chapter.

These business men are only very indirectly responsible to Parliament, and the secret character of their work will make it extremely difficult for Members of Parliament to keep any check on their activities. It is hard to see why the Government have chosen such an undemocratic committee of monopolists, rather than an all-Party Committee of the House of Commons with some direct responsibility towards the taxpayer.

## CHAPTER IV

### *Parliament and the Family Purse*

"A satisfactory point, however, that I am first concerned with, is to draw attention to the statement of the Chancellor of the Exchequer [Mr. Neville Chamberlain] in the House of Commons on May 9th, 1932, when he repeated that it was the desire of the Government to see a rise in the wholesale prices in this country, and, although not to the same extent, a rise in retail prices, because, as he said, it is clear that if the industries in this country, by a rise in wholesale prices, can once more make profits, then we get back to the condition which we all desire to see . . ."—Sir John Wardlaw-Milne, M.P. for Kidderminster, in "*The G.H.Q. of £. S. D.*", 1932, p. 67.

"A loaf of bread", the Walrus said,  
"Is what we chiefly need;  
Pepper and vinegar besides  
Are very good indeed—  
Now, if you're ready, Oysters dear,  
We can begin to feed."

"Alice in Wonderland."

IN the last century the employer was usually the manager of a small family business; to-day the important employer is a director of a huge combine. In some cases one single company controls the whole of a particular industry in Britain; thus Imperial Chemical Industries is for all practical purposes the British heavy chemical industry. Other companies sometimes control the greater part of an industry throughout the British Empire; Lever Bros. and Unilever, for example, is roughly speaking the Empire soap and margarine industry. In most industries a few large concerns control a greater part of the production.

Professor Levy describes the change in British industry :

"For the first time since the earliest days of capitalism a large section of English trade has become overrun with monopolist organisation."<sup>1</sup>

What is the effect of "monopolist organisation"? So long as there are many firms in an industry, the competition between them keeps prices at a reasonable level. A lessening of that competition through combination of the firms leads to higher prices. It is, in fact, the prospect of higher prices which has

<sup>1</sup> "*Monopolies, Cartels, and Trusts in British Industry*", 1927 edition, p. 325.

led to the growth of monopoly, for higher prices make higher profits.

The producer wants to sell his wares as expensively as he can. The consumer wants to buy the best possible quality of goods as cheaply as he can. The producer in a competitive system cannot raise his prices so far that he loses his market to his competitors. But if he has a monopoly, it may be more profitable for him to sell less at a higher price. To-day in many industries the consumer, no longer protected by competition, is losing the battle.

To-day, even where a considerable number of firms share the market for some particular commodity, agreements usually exist to regulate production, control prices, and divide markets, and so to eliminate competition. The greater part of the iron, steel, and engineering industry regulates its prices and production in this way.

The extensive development of monopoly is a serious problem for a democratic country. Professor Taussig writes :

“ Modern industry has marched to huge agglomerations, whose chiefs acquire power and wealth not consistent with the ideals of democracy and equality. The political agencies have not proved adequate to deal with these giants. Public control is imperative; in many directions public ownership and management loom up as inevitable.” <sup>1</sup>

Public control of monopolies, the solution advocated by Professor Taussig, can be achieved only through the legislature. Only Parliament can interfere with the management of business enterprise. But the extent to which Parliament is prepared to intervene on behalf of the community depends on the relative influence of producers and consumers on Parliament. Large monopolies are alive to the fact that legislation can replace competition as a limiting factor on their profits. They meet this danger by ensuring that they can effectively influence Parliament.

Most of the monopolies are free from public control, though some are bound by legislation imposed in response to public opinion. Even in the last century laws were made to prevent the railways, for example, using their monopoly position to earn exorbitant profits at the public expense.

<sup>1</sup> “ Principles of Economics ”, 1921 edition, p. 463.

The most obvious examples of monopolies in this country are those industries which are often termed public utilities, where competition is often restricted by statute or regulation—for example, electricity supply, gas, water, railways, and to a large extent road-passenger transport. Taussig, speaking of the development of public utilities, says :

“ The simple and obvious fact is that monopoly inevitably ensues. The need of regulation in some other way than through competition must be faced once and for all.” <sup>1</sup>

The majority of public utilities are run for private profit. They have shareholders and directors, and they pay dividends in the same way as other companies; but they are often subject to certain supervision by the appropriate Government department.

This supervision does not always protect the consumer against high prices. The gas and electricity companies earn particularly high profits year after year on capital which is far more secure than if invested in the average industrial security. The variation in the price of electricity, for example, from a halfpenny to over a shilling a unit, does not reflect only the cost of distribution, but also the extent to which the public exerts pressure on the electricity supply companies. In a similar way, the notorious shortage in the omnibus and passenger transport services in many parts of the country is excused, or at least explained, by saying that it would not pay to increase them. In other words, such services would not show quite such a high rate of profit if public convenience were the first consideration.

Policy on such questions is not merely a matter for Parliament, but also for local authorities. What the local authorities can do, however, is strictly limited unless Parliamentary sanction can be obtained. The actual price of electricity or gas, the cost of railway or 'bus travel, is in fact a compromise between the two forces of producer and consumer pulling in opposite directions. Or, to put it in another way, these two forces may be regarded as the pressure exerted by the vested interests concerned, and the pressure of public opinion either nationally or in a locality. The movement of prices reflects to a great extent the increase in pressure from one side or the other.

<sup>1</sup> “ Principles of Economics ”, 1921, p. 421.

Figures in previous chapters show that the Conservative Party is dominated by big employers. The biggest employers are also the biggest producers. Conservative politicians live in a world where profit is the measure of success.

Profit depends as much on selling policy as on labour policy. The domination of our political system by Conservatives must therefore influence policy not only in favour of the employer and against the employee, but also in favour of the producer and against the consumer.

The extent to which the State intervenes in the conflict between producer and consumer must be largely dictated under a Conservative Government by the interests of the producer. In our political system the Conservatives represent, broadly speaking, the proprietors of the great profit-seeking industries, while the Opposition parties defend the interests of the rest of the public.

However, it should be noted that the great industries are themselves important consumers of certain commodities and services. This fact greatly complicates the picture, and decides to an important extent the pattern of legislation.

Through the publicity around the railways' "Square Deal" campaign many people have been made to realise that the activities of the railways are limited by complicated statutes and regulations. Parliament intervened many years ago to limit the profits of the railways by specifying the rates which they are allowed to charge.

In 1938 the profits of the railways were, indeed, nearly £29,000,000; but these profits would certainly be very much higher if the railway managements were not hampered by elaborate legal restrictions.

Professor Taussig explains the inevitable trend of railway policy when public control is inadequate :

" As the stage of monopoly is reached a railway is tempted to charge what the traffic will bear in the monopoly sense . . . managed as a private or purely money-making enterprise, it will charge the general range of rates which will bring the maximum profit . . . to charge what it [the traffic] will bear under the latter [monopoly] is against the public interest." <sup>1</sup>

<sup>1</sup> " Principles of Economics ", 1921, p. 418.



\*London Power Co.  
(£17,278,636 Loan capital  
outstanding—owns the most  
important London Power  
Stations).

\*Metropolitan Electric  
Supply Co. (£23,500,000);  
Boroughs of Holborn, Pad-  
dington, parts Westminster  
and Finsbury; also U.D. of  
Acton, Hanwell, Southall.

\*Chipping Norton Electric  
Supply Co.

\*Balfour Beatty & Co.;  
Metropolitan Construction  
Co.;  
\*Hydro-electric Development  
Co.

\*Power Securities Corp.  
(£1,300,000).

\*Egham & Staines Electricity  
Co.;  
\*Brentford Electric Supply Co.;  
\*Chesham Electric Light & Power  
Co.;  
\*Notting Hill Electric Lighting  
Co.;  
\*Slough & Datchet Electric Supply  
Co.;  
\*Uxbridge & District Electric  
Supply Co.;  
\*Windsor Electrical Installation  
Co.

**MR. GEORGE BALFOUR**  
(Conservative M.P. for Hampstead.)

Kinta Electrical Distribution  
Co.  
Sociedad Comercial de Monte-  
video.

\*Edinburgh & London Trust.

\*Perak River Hydro-Electric  
Power Co. (Malay)  
(£3,000,000).

Atlas Electric & General Trust  
(Uruguay) (£6,000,000).

Sphere Investment Trust  
(£1,200,000).

Commercial Bank of Scotland  
(Extraordinary director)  
(£7,500,000).

\*Arbroath Electric Light & Power  
Co.;  
Ross-shire Electric Supply Co.;  
Beaulieu Electric Supply Co.;  
Crieff Electric Supply Co.;  
\*Scottish Southern Electric Sup-  
ply Co.;  
Dunblane & District Electricity  
Supply Co.;  
Fife Electric Power Co.;  
Grampian Electricity Supply Co.;  
N. of Scotland Electric Light &  
Power Co.;  
Scottish Central Electric Power  
Co.;  
Scottish Midlands Electricity  
Supply;  
Duncan's Electricity Supply Co.;  
Grantown-on-Spey Electricity  
Supply Co.;  
Elgin Electric Supply Co.

\*Scottish Power Co.  
(£7,000,000); supplies  
12,000 square miles com-  
prising most of 15 and  
parts of 7 counties.

\*Lancashire Electric  
Power Co. (£3,850,000);  
area of supply, 1,100 square  
miles in Lancashire;  
Ormskirk Electric Supply Co.

\*Lancashire Electric Light  
& Power Co.  
(£4,171,415).

\*Midland Counties Elec-  
tric Supply Co.  
(£6,000,000); supplies 3  
boroughs, 31 urban dis-  
tricts, and 649 parishes  
and runs 500 omnibuses.

\*Derbyshire & Nottinghamshire  
Electric Power Co.;  
†Cheltenham District Traction  
Co.;  
†Leicestershire & Warwickshire  
Electric Power Co.;  
†Midland Electric Light & Power  
Co.;  
†Midland General Omnibus Co.;  
†Nottinghamshire & Derbyshire  
Traction Co.;  
†Mansfield & District Traction  
Co.;  
†Tamworth District Electric Sup-  
ply Co.

Bermuda Rly. Co.

**Col. SIR JOSEPH NALL**  
(Conservative M.P. for  
Hulme, Manchester.)

Leamington & Warwick Trans-  
port Co.;  
Stratford-on-Avon Blue Motor  
Services;

†Llandudno & Colwyn Bay  
Electric Rly. Co.;

Linby Colliery Co.;

†Joseph Nall & Co.;

†Bermuda Railways Invest-  
ment Co. (£435,000).

Controls.

Directorship.

\*Mr. George Balfour, Chairman.

†Col. Sir Joseph Nall, Chairman.

Note.—Figures in brackets after names of companies indicate issued capital.

If the railways were allowed to operate as unrestricted monopolies they would not only exploit the individual member of the public, but would also injure all those great industrial concerns who send their goods by rail. Railway legislation was not passed simply in the interests of the individual passenger, but on behalf of the greater part of industry.

Some restriction on monopoly is, therefore, even a part of Conservative policy. But such restrictions arise at the behest of the great industries, through a process of arbitration between these industries. The interests of the millions of individual consumers of goods and services are always a very secondary consideration.

The concerns subject to the greatest statutory restrictions are the public utility undertakings. Not only the railways, but the electricity supply companies, gas companies, water companies, and so on are of vital concern to most industries, and statutory restrictions have been imposed on them in the interests of industry, and to a lesser extent of the ordinary consuming public.

But it should not be thought that these industries are in any way penalised. The statutory restrictions limit only to a certain extent the great advantages they derive from their monopoly. Gas and electricity companies, for example, still provide a more reliable and profitable investment to their fortunate shareholders than most industrial undertakings.

Of course the wealthy class in society to which Tory M.P.s belong also controls the 'bus companies, electricity supply companies, and gas companies. The Conservative Party both inside and outside Parliament is dominated by the directors and great shareholders of important industries, and among these industries are the public utilities. Many illustrations could be given of leading Conservatives on the Boards of these undertakings, but we confine ourselves here to illustrating again the general social character of the Conservative Party in Parliament.

For example, Sir Joseph Nall (Conservative M.P. for Hulme, Manchester) is chairman of four 'bus companies and director of two others. Two of these are linked with the British Electric Traction Company through a number of other concerns; this Company is connected with Thomas Tilling, Ltd., which is part of the biggest 'bus combine in the country and is closely



associated with the main-line railway companies (all four railway companies have Tory M.P.s on their Boards).<sup>1</sup> Mr. H. G. Williams (Conservative M.P. for South Croydon) is also connected with the British Electric Traction Company as director of one of its most important subsidiaries.

There are also a number of Tory M.P.s among the directors of electricity supply companies. A leading figure in the electricity supply industry is Mr. George Balfour (Conservative M.P. for Hampstead), whose connections with electricity are so extensive that we have set them out on a special chart (see p. 74). We give below a list of some of the other directors of electricity companies in the House of Commons :

<i>M.P.</i>	<i>Name of Company</i>	<i>Places Served</i>	<i>Notes</i>
Sir R. G. Ellis (Conservative M.P. for Eclesall, Yorks.)	Yorkshire Electric Power Company	Yorkshire coalfield and chief manufacturing centres of the West Riding, also parts of the East Riding, Derbyshire and Lincolnshire. 2,491 sq. miles.	Capital £4,123,000
Sir R. G. Ellis	North Lincolnshire and Howdenshire Electricity Company	Part of East Riding of Yorkshire, and Lincolnshire.	Subsidiary of Yorkshire Electric Power Company.
Capt. Osbert Peake (Conservative M.P. for Leeds N.)	Yorkshire Electric Power Company. (See above.)		
Sir Arnold Gridley (Conservative M.P. for Stockport)	Southern Areas Electric Corporation	Owens subsidiary companies covering Brentwood, part of Sussex, Seaton and district, Salcombe, Leominster, etc.	Capital, £783,484

Ten Conservative M.P.s are directors of water, gas, or combined water and gas companies. Among the important gas companies with an M.P.-director is the United Kingdom Gas Corporation, of which Captain Angus Hambro (Conservative M.P. for North Dorset) is a director. This concern controls 45 gas companies in all parts of the country.

Although the public utilities are the most striking examples of monopoly, a great part of manufacturing industry is to-day

<sup>1</sup> See p. 52.

also monopolised. Soap and margarine production are largely in the hands of a single firm. Lever Bros. & Unilever, Ltd., manufactures most of the best-known brands of soap—Pears, Gibbs, Knights, Gossages, Sunlight, Vinolia, Hudson's; many of the best-known cosmetics, such as Icilma Face Cream; candles, baby food, cooking-fat, margarine, and many other household products. Lever Bros. & Unilever, Ltd., also controls Mac Fisheries, Ltd., "Wholesale and retail fishmongers, poulterers . . . trawler and drifter owners", with a capital of £2,500,000 and controlling 31 subsidiary companies; and Associated Cannery, Ltd., which has a capital of over £1,600,000. Altogether Lever Bros. & Unilever, Ltd., owns interests in over 300 companies, including controlling interests in every part of the Empire. Mr. Clement Davies (Liberal-National M.P. for Montgomery) is a director of this £67,000,000 concern.

Unlike public utility services, the Government exercises little or no control over such industrial monopolies, whose firm grip on their own sources of raw material and markets thus gives them a great degree of control over their own prices. Who can doubt that any suggestion of such control would be met by an uproar from the Conservative benches in the House of Commons?

Not every industry is, however, yet monopolised, for until recently there has been one factor severely hindering the process. A big combine in Britain cannot raise prices unless foreign competition is limited. In 1926, when import duties had not yet assisted the formation of trusts or cartels in the engineering industry, Sir W. P. Rylands, then President of the British Iron and Steel Institute, complained :

" . . . in default of a certain restriction of imports it is extraordinarily difficult to induce individual manufacturers to give up their complete personal independence." <sup>1</sup>

Hence industries press for tariffs to enable them to raise prices and form monopolies; Professor Hermann Levy writes :

"Industries which enjoy a monopoly at home owing to tariff protection . . . can usually increase prices very largely if competition is suppressed . . . it has been proved that in certain circumstances a trust or cartel has succeeded in

<sup>1</sup> Levy, "Monopolies, Cartels, and Trusts", 1927, p. 316.

raising the former competitive price by the whole amount of the duty.”<sup>1</sup>

Industries which are already monopolised press for tariffs to enable them to raise prices, while industries which are not yet monopolised, but have some prospect of becoming so, press for tariffs to make such combination possible. “Tariff reform” is thus the policy of big industry; for the creation of monopolies and the erection of tariffs are two sides of the same programme :

“British tariff reformers are so well aware of this connection that they often desire a protective tariff simply as a means to creating trusts. . .”<sup>1</sup>

At the time when Professor Levy was writing, Britain was still largely a free-trade country. He explains that Britain was still largely free trade through the vigorous public opposition to import duties :

“. . . but the great bulk of the people, warned of the effect of trusts on prices by the experience of other countries, display no sympathy with such schemes.”<sup>1</sup>

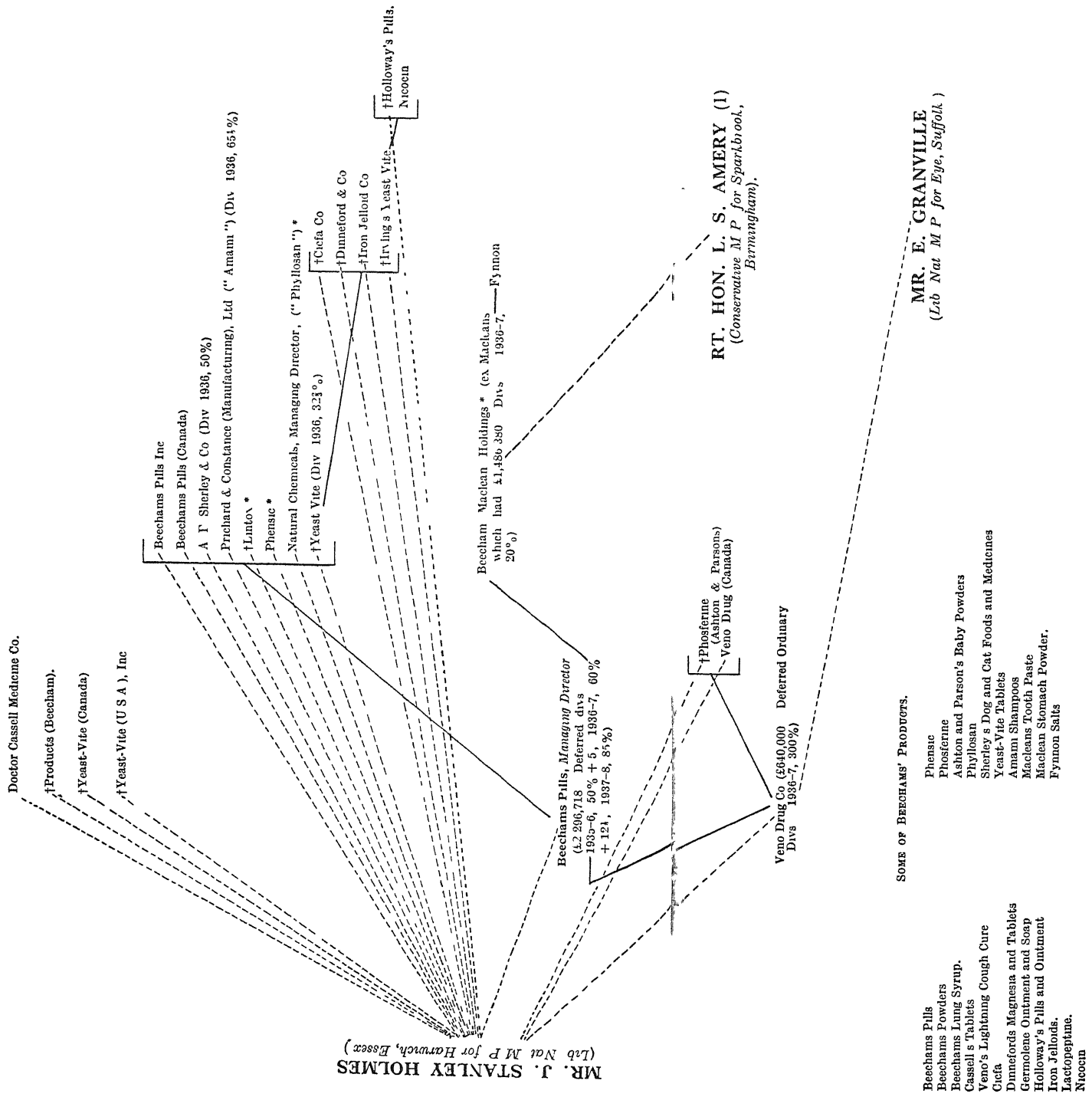
The formation of monopolies has been particularly rapid since the abandonment of free trade in 1931. Professor Levy, writing in 1926, clearly foresaw the consequences which would ensue :

“Very different would the picture be if England broke with the free trade system. Protection would increase the number of trades in which the creation of monopoly would depend solely and singly on the amount of home competition.”<sup>1</sup>

For the first time in nearly a century Britain has abandoned her traditional policy of free trade. This step has been taken by a Conservative Government at the dictation of big industry.

Tariffs also result in a transfer of taxation from rich to poor. This is an additional reason for the Conservative abandonment of free trade. The Rt. Hon. L. S. Amery (Conservative M.P. for Sparkbrook, Birmingham) says in a recent book :

<sup>1</sup> Levy, *op. cit.*, p. 315-17.



"Mr P E Hill, Chairman of Beechams Pills (at the tenth Ordinary General Meeting), May 26th, 1938. "In passing, it may interest you to know that some ninety years ago the business of Beechams Pills was founded by the late Thomas Beecham, who conducted his business, among other things, with the aid of a large umbrella in some of the market places of England, and today the Beecham factory at St Helen's produces over 11,000,000 pills per week, and this is entirely apart from the production of the Beecham factories in different parts of the world."

(Daily Herald, May 27th, 1938)

† Mr J Stanley Holmes, Chairman or President  
(1) Mr Amery was Chairman of Macleans, Ltd  
\* See Prospectus of Beechams Pills, Ltd. (Evening Standard, September 13th, 1933)

----- Directorships  
----- Controlling Interest

“ The time has come for us to retrace our steps by a considerable transfer of taxation from earning and enterprise to expenditure, from direct to indirect taxation.”<sup>1</sup>

But we must avoid picturing the whole of British industry as being in agreement on “ tariff reform ”. Industries which manufacture goods intended largely for export will tend to oppose tariffs, which have the effect of narrowing their market; and industries needing raw materials or manufactured goods obtainable only from foreign sources will attack the imposition of tariffs on those goods. The general policy of large-scale industry, however, will be to support tariffs in order to reduce foreign competition.

Tariffs are now so much a part of the programme of any Conservative Government that it is quite impossible here to list the number of M.P.s who have urged the imposition of tariffs to protect their particular industries. We can, however, provide certain statistics to show this policy in action. In the period 1931-6 imports to Britain fell by £12,000,000. Yet in the same period receipts from import duties rose by £75,000,000—i.e., 55 %. This means that more taxes were imposed on less goods during that period. In the year ending April 1937 the Import Duties Act alone produced nearly £28,000,000, the Ottawa Duties over £7,000,000, and the Irish Free State Duties over £4,000,000, making a total of over £39,000,000. The consumer, in fact, was paying more for his goods in order to safeguard the monopoly interests of British industry. Taxation is no longer used to curb the power of our monopolies, but to increase their power at the public expense. Professor Tawney says :

“ They [monopolies] resemble the predatory property of the old regime, the effects of which are partially corrected to-day by public taxation, but except in so far as such correction takes place, are necessarily mischievous. They create an inequality which, so far from arising from differences of social service, is maintained in spite of them. They do not increase the real income of the Nation, but diminish it. For

<sup>1</sup> “ The Forward View ”, 1935, p. 390. Mr. Amery argues in his book that a transfer from direct to indirect taxation does not necessarily increase the taxation of the poorer classes; but it can hardly be disputed that this has always been the effect in practice.

they cause the less urgent needs of the minority to be met before the more urgent needs of the majority.”<sup>1</sup>

Many British industries are dominated by firms of a semi-monopoly character—that is, they dominate a large part of the market. They cannot raise prices so high that smaller competitors are unduly encouraged, but, with their big resources, they are able to control prices to a considerable extent. They are on the way to becoming real monopolies, and represent an intermediate stage between the competitive industry of fifty years ago and the great trust of to-morrow.

An interesting example is the brewing industry. Three of the 11 Conservative M.P.s who are largely interested in brewing are directors of huge breweries which control some thousands of public-houses, manufacture many well-advertised brands of ale and beer, and have a capital running into millions.

Sir George Courthope (Conservative M.P. for Rye, Sussex) is chairman of Ind Coope & Allsopp. This firm has a capital of £3,634,663 and has controlling interests in 13 subsidiary and 6 sub-subsidiary companies, including Hall's Oxford Brewery, Graham's Golden Lager, Ltd., etc. It owns and controls 3,283 licensed properties and public-houses; and its prosperity is suggested by its ordinary dividend for 1936-7, which was 27½%. A chart appears on page 85 showing the subsidiaries of this company, and also some of Sir George Courthope's other important financial interests.

In the brewing industry, as in most others, scores of small concerns have been swallowed up by big combines. At the same time thousands of public-houses have fallen under the control of the big brewers. The incentive to obtain control of public-houses is the higher profit which can be made from a semi-monopoly position. “Tied” houses mean higher profits at the consumer's expense.

Col. the Rt. Hon. John Gretton (Conservative M.P. for Burton-on-Trent) is chairman of the board of directors of Bass, Ratcliff, & Gretton, which controls “Worthington” and other companies. Its issued capital amounts to £3,595,640, and its ordinary dividend in 1936-7 was 20%, with a bonus of 5%.

Lt.-Col. the Hon. G. K. M. Mason (Conservative M.P. for

<sup>1</sup> “Equality”, 1931, p. 157.

North Croydon) is director of another important brewing concern, the City of London Brewery & Investment Trust, and of some subsidiaries, with a capital of over £2,500,000.

Among smaller concerns we might mention Sir Henry Page Croft's private company, Henry Page & Company, maltsters—with a capital of £57,500. Sir Henry is Conservative M.P. for Bournemouth.

As brewing is an industry of importance to the average consumer, we give here a list of some other brewing interests :

Major W. H. Carver, Conservative M.P. for Howdenshire.	Wilson's Brewery, (capital £863,000; Dividend, 1936-7, 17½ %).
Mr. W. L. Everard, Conservative M.P. for Melton.	<i>Chairman</i> : Everard's Brewery (con- trolling John Sarson & Son) (capital £900,000; controls 113 public-houses and 35 off-licences).
Mr. J. Lees-Jones, Conservative M.P. for Blackley.	J. W. Lees & Company (Brewers).
Major H. A. Procter, Conservative M.P. for Accrington.	Red Tower Lager Brewery (capital £225,000).
Col. H. W. Burton, Conservative M.P. for Sudbury.	Blair & Company (Alloa) (capital £80,000).

Another industry of great interest to the public is the patent-medicine industry, whose products are found in almost every household in the country. The chart on page 80 shows some leading patent-medicine firms with which Government M.P.s are associated. The industry is of greater economic importance than many people appreciate. Lord Horder explained in the House of Lords<sup>1</sup> that between £25,000,000 and £30,000,000 a year are spent on patent medicines, "nearly as much as the total money spent on the whole of our hospital services".

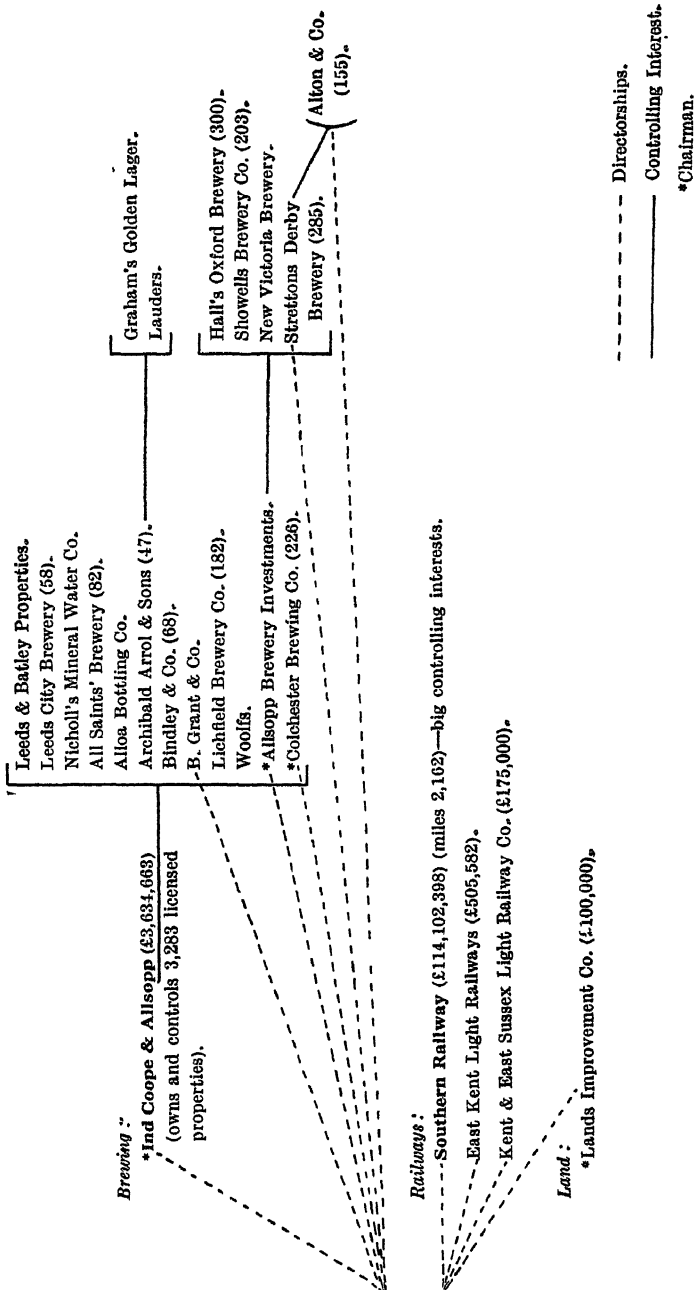
One of the largest patent-medicine firms is Beechams Pills, Ltd. Mr. J. Stanley Holmes (Liberal-National M.P. for Harwich, Essex) is the managing-director of the parent company; Mr. E. Granville (Liberal-National M.P. for Eye, Suffolk) is director of a leading subsidiary, while the Rt. Hon. L. S. Amery (Conservative M.P. for Sparkbrook, Birmingham) was chairman of Macleans, Ltd.,<sup>2</sup> which was bought up by Beechams in 1938, and is now the Beecham-Maclean (Holdings), Ltd.<sup>3</sup> The size of these firms will surprise many devotees of their

<sup>1</sup> July 26th, 1938.

<sup>2</sup> "Stock Exchange Year-book", 1938.

<sup>3</sup> Prospectus of Beechams Pills, Ltd., *Evening Standard*, September 13th, 1938.

(Conservative M.P. for Rye, Sussex).



*Note.*—Figures in brackets after names of brewery companies refer to the number of licensed and unlicensed premises which they control. £'s in brackets after the names of companies indicate the issued capital.



products : Beechams has a capital of over £2,250,000, Macleans nearly £1,500,000, while several subsidiaries run into figures of nearly £1,000,000. Their profits would be hard to beat in any industry. Beechams has paid the following dividends on deferred shares :

1931	.	.	.	15 %
1932	.	.	.	17½ %
1933	.	.	.	20 % plus bonus of 2½
1934	.	.	.	25 % plus bonus of 2½
1935	.	.	.	50 % plus capital bonus of 5
1936	.	.	.	60 % plus capital bonus of 12½
1937	.	.	.	85 %

Even these figures are beaten by Veno Drug Company, a subsidiary, which paid between 1931 and 1935 40 %, 60 %, 73 %, 74 %, and 196 %, and in 1936-7 a handsome 300 % on its deferred ordinary shares.

A complete list of household and proprietary commodities manufactured by concerns with directors in the Conservative ranks would occupy many pages. We have space here for a few examples of proprietary and branded products whose names are household words everywhere. Sir Robert Bird, for example :

“succeeded his father, Sir Alfred Bird, both as chairman of the custard firm and as Conservative member for West Wolverhampton.”<sup>1</sup>

The widely advertised H.P. Sauce is manufactured by H.P. Sauce, Ltd., which owns also Lea & Perrins, Ltd., Mellors (Worcester Sauce), Ltd., and the Tower Yeast Company, Ltd. With a capital of £911,427, it paid in 1936 an ordinary dividend of 30 %. On the board of directors is Sir Patrick Hannon (Conservative M.P. for Moseley, Birmingham), already shown as a leading figure in armament production.

Among the most celebrated names in milk products and infant foods is Cow & Gate, Ltd. This company has an issued capital of nearly £1,000,000, and its dividend in 1936-7 was 18 %. Mr. C. S. Taylor (Conservative M.P. for Eastbourne) is a member of the board of directors.

Morton Sundour Fabrics, Ltd., has an M.P.-director, namely

<sup>1</sup> *Daily Express*, October 12th, 1933.

the Hon. R. D. Denman (National-Labour M.P. for Central Leeds). Equally well known, perhaps, is the Ballito Hosiery Mills, Ltd., who make the well-advertised "Ballito" silk stockings. Major Sir Cyril Entwistle (Conservative M.P. for Bolton) is the chairman. Mr. Alan Chorlton is Conservative M.P. for Bury, and Chairman of J. Mandleburg & Company, Ltd., which manufactures mackintoshes and waterproofs.

Even our entertainment industry is often directed by Government M.P.s. Lt.-Col. J. T. C. Moore-Brabazon (Conservative M.P. for Wallasey) is a director of the Greyhound Racing Association Trust, Ltd., which owns the greyhound racing tracks at Stamford Bridge Stadium, White City Stadium, and Harringay Arena, London; Hall Green, Birmingham; and Powderhall, Edinburgh. It has a capital of £1,266,666; it paid 30% in 1936 and 40% in 1937 on ordinary shares. Sir Cyril Entwistle, M.P., is chairman of the famous Decca Record Company, Ltd. One of the best known tourist agencies is Thomas Cook & Son, Ltd., which has a director in Parliament, Sir Edward Grigg (Conservative M.P. for Altrincham).

The catering firm of J. Lyons and Co. is famous for its tea-shops in nearly every town in Britain; Sir Isidore Salmon (Conservative M.P. for Harrow) is the company's chairman. Mr. Bracewell Smith (Conservative M.P. for Dulwich) is concerned with the luxury side of the same industry as chairman of the Ritz Hotel, Carlton Hotel, director of the Café Royal and the Ritz Hotel (Paris), chairman and managing director of the Park Lane Hotel, Ltd., and so on.

Among laundry directors is Mr. G. R. Hall Caine (Conservative M.P. for East Dorset), a director of Sunlight Laundries (Loud & Western), Ltd. Mr. Hall Caine is also chairman of Ciro Pearls (Holdings), Ltd. Kodak Cameras are manufactured by Kodak, Ltd., of which Lt.-Col. J. T. C. Moore-Brabazon, M.P., is a director.

There are also M.P.-directors in the rubber industry. The Rt. Hon. L. S. Amery (Conservative M.P. for Sparkbrook), who has already been mentioned many times in this book, is a director of the Goodyear Tyre & Rubber Company (Great Britain), Ltd.; while Lord Burghley (Conservative M.P. for Peterborough) is director of Firestone Tyre & Rubber Company, Ltd.

So we could go on; but these varied, though brief, examples

may provide a rough idea of the extent to which leading Conservative politicians are drawn from that class of the community which controls the production of those everyday goods and services on which we all depend.

Our general conclusions from the facts presented in this chapter can be summarised very briefly. In the conflict which inevitably exists between producer and consumer, the Government has considerable power, both negatively and positively, to influence the outcome. A political party dominated by producers will naturally consider the producer first.

Meanwhile, the interests of the consumer are ignored or neglected. Parliament has very wide legislative powers to interfere with any unjust exploitation of the public purse that may arise. It will therefore be in the best interests of the consumers of this country—who, in another aspect, are the electorate—to choose as their representatives members of a party which is in no way influenced by profit-seeking interests concerned in the production of consumers' goods. The present Government has shown, both by what it has done and by what it has not done, that it is not willing to override the interests of business men for the sake of the community.

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## CHAPTER V

### *Tory Stake in the Empire.*<sup>1</sup>

"They were not democrats or Parliamentary when they confronted the problem of India, until the Indian people by a sense of responsibility had proved to them that Western institutions of that kind were suited also to the East."—Mr. A. T. Lennox-Boyd, Conservative M.P. for Mid-Bedfordshire, speaking in the House of Commons. (*The Times*, February 9th, 1935.)

THE British Parliament is also the Imperial Parliament. It is not only the sovereign power in Great Britain, but is the sovereign power for the greater part of the British Empire, with a population of nearly 500,000,000 souls and an area of nearly 12,000,000 square miles—one quarter of the earth's surface.

The British House of Commons is elected only by the people of Great Britain, and it is for this reason that many people believe that its power and activities are largely confined to Great Britain.

In fact the people of Britain are only a minor part of the population ruled by the British or *Imperial* Parliament. But as only the population of Great Britain is directly represented in the British Parliament, it is a *democratic* body for only a small part of the population over which it rules. The white minority of the Empire's population numbers only 70,000,000, of whom about 30,000,000 have their own Parliaments in the Dominions. Over 430,000,000 people are ruled by the British or Imperial Parliament, and have no representatives at Westminster, play no part in deciding the composition of this body which decides their destinies, and are unable by any legal or constitutional methods to change its policy. This should be kept in mind in considering all the figures and material we present in this chapter.

The Colonial<sup>2</sup> peoples are in a very different position from the British people. Thus the House of Commons may be dominated by employers of labour, but the British working classes are not without remedy, for they can displace these people through the ballot-box, nor are they without voice in the House of Commons, for Labour has its representatives, however far they are outnumbered by employers and landowners to-day.

<sup>1</sup> Since this chapter was written Leonard Barnes' book "Empire or Democracy" has appeared. He deals at length with many points which we have only touched on.

<sup>2</sup> Throughout this chapter we use the words "Colony" and "Colonial" to cover Crown Colonies, Protectorates, and Mandated Territories.

But an employer of Colonial labour need never fear that a representative of the people he employs should speak from the Opposition benches; and so remote do the Colonial peoples seem to the people of Britain, that Colonial employers have so far had little reason to fear that the methods they use in ruling the Colonial peoples, however harsh, would result in a defeat for them personally in an English or Scottish constituency, or in a defeat for their political party.

It is therefore of the first importance, in considering the destiny of a great part of the world, to discover what considerations determine the policy of our rulers towards the peoples of the Empire.

We must, however, first distinguish between the Dominions and the Colonial Empire and India. The people of the Dominions are largely the descendants of British settlers, and have taken with them British institutions. With the exception of Newfoundland, whose constitution has been taken away by the National Government and which has become practically a "Colony" at the dictation of its British creditors, the Dominions have Parliaments of their own. The white population of the Dominions have on the whole as extensive political rights as the people of Britain, and in Australia, for example, their rights are more extensive. We should note, however, that the rights of the coloured populations in the Dominions are extremely limited. In the Union of South Africa the coloured population is in the majority and has been entirely deprived of all political rights.

Although the constitutional ties of the Dominions to the mother-country are very slight, the economic connections remain strong. The relationship between the ruling class of this country and of the Dominions has been described as a "debtor and creditor" relationship:

"Even as matters stand now there exists in Great Britain a powerful organised business interest which is continually inciting the Imperial Government to a policy on behalf of our Dominions; <sup>1</sup> these Dominions, the Australasian in particular,

<sup>1</sup> Writing in 1902, Hobson used the word "Colonies" for what are now known as the Dominions. Since this is quite clear from the context, we have substituted the modern word in the passage quoted. We shall make extensive use of J. A. Hobson's book throughout this chapter, not only because his book is perhaps the best survey in English of "Imperialism", but also because he lays special stress on the lack of democracy in the Empire and the effect of our Imperial policy on democracy at home.

are heavily mortgaged in their land and trade to British financial companies; their mines, banks, and other important commercial assets are largely owned by Great Britain; their enormous public debts are chiefly held in Great Britain. It is quite evident that the classes in this country owning these Dominion properties have a stake in Dominion politics different from, and in some cases antagonistic to that of the British nation as a whole; it is equally evident that they can exercise an organised pressure upon the British Government in favour of their private interests. . . .”<sup>1</sup>

The capital invested by wealthy circles in Britain is a means of bringing pressure to bear on the ruling sections in the Dominions. This pressure may be exercised through powerful financial circles in the Dominions on the Dominion Parliament. Further, the debtor-creditor relationship enables the British Government itself to bring pressure to bear on the Dominion Government directly.

The direct interests of British Conservative M.P.s in the Dominions are widespread. We give a table of directorships held by members of the British House of Commons in each of the Dominions.

*Government M.P.s and the Dominions*

<i>Dominion.</i>	<i>No. of M.P.s Concerned.</i>	<i>Directorships.</i>
Canada . . . . .	9	12
Australia . . . . .	11	13
South Africa . . . . .	12	15
New Zealand . . . . .	3	3

These direct executive interests of our Conservative members of Parliament in business firms in the Dominions are indeed important in themselves. But they are in a sense only symbolic. The huge groups of banks, insurance companies, and finance houses which we have seen represented in the House of Commons have a very great stake in the Dominions, not only through the Dominion stock which they hold, but also through the Dominion railways and industrial concerns in which they are interested. A political party which represents the wealth of Britain also automatically represents the wealth which Britain has invested

<sup>1</sup> J. A. Hobson, "Imperialism" (1902), 1938 edition, p. 348.

in the Dominions and elsewhere abroad. The total amount of British money invested in Canada and Newfoundland is £443,000,000, and in Australia and New Zealand is £651,000,000.<sup>1</sup>

But the extent to which the British Government can influence the Governments of the Dominions is limited. The British Conservatives have not been able to prevent the election of a Labour majority to the Lower House of the New Zealand Parliament. One method by which they seek to influence Dominion policy is through British creditors of companies or financial houses in the Dominions. They must rely also on the counterparts of the British Conservative Party in the Dominions.

New Zealand is the only Dominion with a Labour Government. Vested interests in this country have not hesitated to threaten the New Zealand Government with reprisals, if that Government's policy is not to their liking :

"Direct threat to force the British Government into denouncing the Ottawa Agreement if New Zealand brings its import control plans into force was made by Mr. Moir Mackenzie, Empire Director of the F.B.I., last night. 'If they go through with it, on January 1st', said Mr. Mackenzie, 'we shall go bald-headed for a denouncement, and I think we can make it extremely difficult for the Government to say "No"'. . . ."

"Mr. Mackenzie's comment followed the sending of a letter to . . . (the) President of the Board of Trade by . . . the F.B.I. This letter claimed that if fears about New Zealand's policy were justified, the Ottawa Agreement would have been broken and they would have to press for its abrogation."<sup>2</sup>

The *News Chronicle* in the same issue commented in a leading article :

"It is monstrous that, because New Zealand happens to have a 'Labour' Government which has initiated certain experiments, big business in this country should threaten to force the Government into reprisals. Such an action is a menace to our constitutional government and to the independence of the Dominions as guaranteed in the Statute of Westminster."

<sup>1</sup> *Economic Journal*, December 1937.

<sup>2</sup> *News Chronicle*, December 16th, 1938.

The ruling circles in Britain can influence the Dominion Parliaments only by indirect means; in India and the Colonial Empire they rule directly, for the Imperial Parliament has absolute sovereign power. It is even more unjust that in this Parliament, where the peoples of India and the Colonies are not represented, there should be directors of Indian and Colonial companies. These directors can take part in debates on legislation directly affecting India or these Colonies. They may speak or vote on Bills which may destroy the constitution of a Colony in which they are interested. They may grant a new constitution reserving power on all-important matters to officials in Whitehall ultimately responsible only to themselves. They are part of the body to which the Cabinet is responsible in its appointment and dismissal of Colonial officials and governors and the staff of the Colonial and India Offices in London. We give below a table of the financial interests represented in the British House of Commons, again because they are symbolical of the interests of the British governing class :

*M.P.s and India*

12 M.P.s hold 13 directorships in firms and financial companies concerned with Banking, Insurance, Rubber, Gold, Tea, Railways, Trading, Manganese, Cement, etc.

*M.P.s and the Colonies*

<i>Colony.</i>	<i>M.P.s.</i>		<i>Directorships.</i>
Malay . . .	5	Electricity, Rubber, Tin, Land . .	10
Gold Coast } . .	6	Gold, Palm Oil, Tin, Wolfram, Man-	
Nigeria } . .		ganese, Land, Timber, etc. . .	8
Trinidad . . .	3	Oil, Land . . . . .	3
Rhodesia . . .	3	Railways, Trading, Land, Gold, etc.	4
Kenya . . .	Coffee	} One or more companies operating in each Colony has a British M.P. on its Board of Directors—in many cases the companies are among the most important in the Colony.	
Tanganyika . .	Sisal		
Bechuanaland . .	Trading and Cattle Ranching		
S.W. Africa . .	Mining		
Bermuda . . .	Transport		
British Guiana . .	Gold		
Falkland I. . .	Whaling		
Burma . . .	Rubber		
Ceylon . . .	Tea, Rubber		
Borneo . . .	Oil		
Palestine . . .	Insurance		

These direct connections of our Conservative M.P.s in India and the Colonial Empire are only a fraction of the sum total



of connections between such interests and the Conservative Party. They do not include the very much larger number of M.P.s concerned as shareholders in Colonial concerns; nor do they include the banks, insurance companies, and investment trusts with huge Indian and Colonial investments who number among their directors a Conservative Member of our House of Commons. The natural products shown in the table are only some examples of those Empire resources exploited by British capital; in some cases they are the chief products of the particular Colony. The total amount of British capital in India and Ceylon has been estimated at £438,000,000.<sup>1</sup>

We should emphasise again that every single connection is with a profit-making understanding, where first consideration is profit for its directors and shareholders. The only form of direct representation of our Empire in the House of Commons is the representation of Boards of Directors of profit-seeking companies :

“The authors of Imperialism . . . are the managers of trading, production, manufacturing, shipping companies, etc., and of corporations who control and invest the nation's accumulated savings; they may even be members of cabinets and heads of states.”<sup>2</sup>

The absence of democracy throughout nearly the whole of the Colonial Empire and India can only be regarded as a direct result of this tremendous power in the hands of vested Colonial interests.

The Indian people have indeed won certain political rights. In British India about 15% of the population is now entitled to vote, but they can only elect provincial Legislatures with limited powers (comparable, on a bigger scale, to our County Councils). The Indians have won these rights as a result of years of agitation, but, although the concessions they have won are very important, they still fall far short of “democracy”. The Government of India Act, which was very actively opposed by a group of diehard Tory M.P.s, does not, and was not intended to give democracy to India. In an attempt to reconcile the Tory opposition, Sir Samuel Hoare thus described the new Constitution :

<sup>1</sup> *Economic Journal*, December 1937.

<sup>2</sup> Leonard Barnes, “Skeleton of the Empire”, 1937, Fact Books, p. 41.

“ In India the Governor-General, the Provincial Governors, and other high officials are still to be appointed by the Crown. The security services, the executive officers of the Federal and Provincial Governments are still to be recruited and protected by Parliament. The Army, the ultimate power in India, is to remain under the undivided control of Parliament. Those are no paper safeguards. Here are the heads of Government endowed with great powers and given . . . the means of carrying those powers into effect.”<sup>1</sup>

There is still a majority of Conservative M.P.s in the present Parliament whose unconciliatory and unsympathetic attitude to the desires of the Indian people, particularly on the question of the Federal constitution, bring discredit on this country. Major-General Sir Alfred Knox declared :

“ India is not ready for democracy; the ordinary Indian voter has as much civic sense as a child of six.”<sup>2</sup>

The attitude of the British Government to the demands of Indian public opinion is determined by the pressure brought to bear on that Government. The ten Conservative M.P.s who are directors of companies in India are of little significance in comparison with the financial interests in Parliament and outside it which can influence Tory policy. The financial interests in this country which depend on British domination of India are supported by vested interests of a different kind, also well represented in Parliament. One group which has a definite interest in India is the Army :

“ The Services are, of course, imperialist by conviction and by professional interest, and every increase of the army, navy, and air force enhances the political power they exert . . . This has been a most prolific source of expansion in India. The direct professional influence of the services carries with it a less organised but powerful and sympathetic support on the part of the aristocracy and the wealthy classes, who seek in the services careers for their sons.”<sup>3</sup>

The group of M.P.s who have been Governors or in the Civil Service in India are symbolical of yet another stake in the Empire :

<sup>1</sup> Sir Samuel Hoare, House of Commons Debate, March 27th, 1933.

<sup>2</sup> *Sunday Dispatch*, November 4th, 1934.

<sup>3</sup> Hobson *op. cit.*, p. 50.

"Such is the array of distinctively economic forces making for Imperialism, a large loose group of trades and professions seeking profitable business and lucrative employment from the expansion of military and civil services, and from the expenditure on military operations, the opening up of new tracts of territory and trade with the same, and the provision of new capital which these operations require, all these finding their central guiding and directing force in the power of the general financier."<sup>1</sup>

It should be understood that "retired Colonial officials will not be allowed to accept the directorships of companies operating in the Colonies in which they have served unless they have obtained the written consent of the Governor. During the first three years after an officer's retirement permission will as a rule be refused. . . ." <sup>2</sup> After the three years have passed it is quite common to find ex-Colonial officials accepting Colonial directorships, and at the same time they may even take a seat in the House of Commons.

A number of one-time holders of positions in the higher Indian Civil Service or positions in the Indian Government sit for English constituencies. Sir John Wardlaw-Milne (Conservative M.P. for Kidderminster since 1922) is now a "director of railway, finance, and manufacturing companies",<sup>3</sup> including the Bombay, Baroda & Central India Railway and the Bank of Bombay. He has held the following positions in India, including Government positions :

Member . . . . .	Bombay Municipal Corporation.
Government Representative . . . . .	City of Bombay Improvement Trust.
Trustee . . . . .	Port of Bombay.
Chairman . . . . .	Bombay Chamber of Commerce.
Additional Member . . . . .	Governor of Bombay's Legislative Council.
Additional Member . . . . .	Governor-General of India's Council.
President . . . . .	Government of India's Advisory War Shipping Committee.
Lieutenant-Colonel . . . . .	Indian Defence Force.

In the Colonial Empire proper, which has an area of 2,000,000 square miles with 60,000,000 inhabitants, the British Parliament has even more complete control than it now has in British

<sup>1</sup> Hobson *op. cit.*, p. 61.

<sup>2</sup> House of Commons Debate, January 10th, 1913. This rule is still in force.

<sup>3</sup> "Who's Who", 1938.

India. It is often stated by apologists for our Empire that we are gradually bringing our ideals of democracy, liberty, and self-government to these 60,000,000. In actual fact none<sup>1</sup> of our Colonies have been allowed to progress at all towards self-government in recent years.

Malta and Cyprus have had their constitutions taken away by the National Government. The constitution of Ceylon, granted by a Labour Government, and perhaps the most democratic in any important Colony, has been attacked by the present Government. There is not even any pretence on paper in 45 out of our 50 Colonies of any political rights whatever for the great bulk of the inhabitants. The Empire is populated with disenfranchised millions. The verdict of J. A. Hobson in 1902 is still true :

“ The present condition of the government under which the vast majority of our fellow-subjects in the Empire live is eminently un-British, in that it is based, not on the consent of the governed, but upon the will of Imperial officials; it does indeed betray a great variety of forms, but they agree in the essential of un-freedom.”<sup>2</sup>

The words of John Stuart Mill ring true to-day, when directors of Colonial undertakings sit side by side with the statesmen who rule the Empire on the Government benches of both Houses of Parliament :

“ The government of a people by itself has a meaning and a reality, but such a thing as government of one people by another does not and cannot exist. One people may keep another as a warren or preserve for its own use, a place to make money in, a human cattle farm, to be worked for the profit of its own inhabitants; but if the good of the governed is the proper business of a Government, it is utterly impossible that a people should directly attend to it.”<sup>3</sup>

The positions held by a number of Government M.P.s in the Colonial Empire may be considered as a symbol of the general interest of the governing class. We shall give a few examples in some detail rather than a multitude of examples, as in previous chapters, in order to illustrate the record of the

<sup>1</sup> Except Iraq.

<sup>2</sup> Hobson *op. cit.*, p. 121.

<sup>3</sup> J. Stuart Mill, “Representative Government”, 1861.

Tories as rulers of the Empire. We will consider three Colonies which have recently been much in the news.

In June 1937 a widespread strike movement broke out in Trinidad as a result of the rise in the cost of living and the refusal by certain companies to meet the demands for higher wages. In the serious riots which followed many natives and a number of police were killed and wounded.

The population of Trinidad is 450,000, mostly negroes and Indians. Trinidad produced 62·8% of the oil output of the British Empire in 1936; the other main industry is sugar. Three Government M.P.s are directors of important oil firms. Mr. Alan Chorlton (Conservative M.P. for Bury, Lancs.), is a director of one of the largest oil companies, Trinidad Leaseholds, Ltd., which owns over 85,912 acres of freehold and leasehold oil properties, has pipe-lines, refineries, and tankers, a distributing business in England, and close connections with many of the smaller companies. Its capital is £1,639,452. The oil products now command a high price, and the company has paid 12% and over since 1924, except for the years 1929-31. In 1935-6 it paid 25%, in 1936-7, 30%. £1 shares in the company were quoted in 1937 as high as 88s.

Brigadier-General Sir William Alexander (Conservative M.P. for Glasgow Central) is Deputy Chairman of the Kern Oil Company, which owns some 4,000 acres in Trinidad and has a capital of £725,000.

Sir Arnold Gridley (Conservative M.P. for Stockport) is a director of British Borneo Petroleum Syndicate, which has a large interest in an important Trinidad oil company, Apex (Trinidad) Oilfields, Ltd. This latter company is one of the most prosperous; it paid dividends as follows :

1930-1 . . .	20%
1931-2 . . .	25%
1932-4 . . .	35%
1934-5 . . .	27½%
1935-6 . . .	35%
1936-7 . . .	45%

Following the outbreak of the strike conditions in Trinidad received publicity in the Press and in Parliament. The Acting Colonial Secretary in Trinidad on July 9th, 1937, made a speech in the Trinidad Legislative Council sympathetic to the

demands of the workers. In the House of Commons on July 27th, 1937, Mr. Chorlton called the attention of the Secretary of State for the Colonies to the "extreme views" of the Acting Colonial Secretary in Trinidad. These "extreme views" were quoted in the House by Mr. A. Creech Jones, M.P. (Labour), on February 28th, 1938 :

"I will quote what the Acting Colonial Secretary in Trinidad said in one of those speeches for which he has received the censorship of the Commission: 'In the past we have had to salve our consciences with humbug and have had to satisfy labour with platitudes'."

The day after Mr. Chorlton's question, on July 28th, the names of the members of the Royal Commission to investigate the situation in Trinidad were announced. In its Report published in February 1938 the Commission criticised the Acting Secretary in Trinidad for the speech to which Mr. Chorlton took exception. In this speech the Acting Colonial Secretary said: "I would stress very strongly the view that an industry has no right to pay dividends at all until it pays a fair wage to labour and gives the labourer decent conditions."<sup>1</sup>

The Commission reported on the conditions in the Colony :

"Briefly it may be said that the general health condition of the Colony is affected by a combination of circumstances, e.g., diseases, malnutrition, overcrowding, and bad housing, rather than by any single factor."<sup>2</sup>

In a passage on housing, the Report speaks of "barrack dwellings . . . which are indescribable in their lack of elementary needs of decency".

The profits made from the natural products of the island and the labour of the unfortunate workers living in these conditions are considerable, as we have already shown. These profits and these conditions have persisted for many years, yet little was heard in the English Press, and less from the Government benches in Parliament, until the disturbances took place. In the Debate on the Commission's Report many M.P.s spoke in favour of reform and amelioration of conditions. Only one M.P. from the Government Benches claimed direct personal

<sup>1</sup> Report of Commission on Trinidad and Tobago Disturbances, 1937. Cmd. 5641, app. viii.

<sup>2</sup> Cmd. 5641, pp. 33 and 36.

connection with Trinidad. Sir Arnold Gridley began his speech with the words :

" I feel that it is my duty and responsibility to intervene, . . . for the reason that I happen to be a director of a company which has a large interest in one of the larger profit-earning oil companies in Trinidad, and also a shareholder in that company." <sup>1</sup>

Sir Arnold Gridley then made a defence of the policy of the oil companies, stating that they had raised wages one cent per hour and made other concessions.

On February 3rd, 1938, *The Times*, which had given not unsympathetic accounts of conditions in Trinidad, published a correspondent's commentary on the Commission's Report, which is remarkable for its frankness, and which supports the thesis of this chapter :

" The Report [of the Royal Commission on the Trinidad riots] has apparently been well received. . . . Employers feel that the Report will do something to restore the confidence of United Kingdom investors in the oil and sugar industries, whose shares declined after the riots, and are gratified by the Commission's finding that the official speeches in the Legislature on July 9th contained misleading generalisations. This part of the report . . . will, it is believed, help to dispel the illusion that the oil companies' shareholders will be deprived of satisfactory dividends because of excessive increases of labour costs."

Tate & Lyle's, perhaps the most famous sugar firm in the world, has plantations and trading business in Trinidad, Jamaica, and other West Indian islands. It is among the greatest companies concerned with exploiting the Empire's resources; the directors of such a concern are, of course, members of that select class in society to which the directors of the other great colonial companies belong, and from which are also drawn most Conservative M.P.s. The heir to Sir Leonard Lyle, present head of the company, is, in fact, son-in-law of an M.P., Sir John Jarvis, Conservative member for Guildford, Surrey. During May of 1938 an illuminating correspondence appeared in *The Times* between Sir Leonard Lyle and such experts on the West Indies as

<sup>1</sup> House of Commons Debate, February 28th, 1938.

Lord Olivier. This correspondence deserves to be given in full for the light which it throws on the attitude of a large employer of West Indian labour. As space forbids this, we will quote only a comment on the correspondence written from Jamaica :

“ Sir Leonard has been outspoken in implying that his firm will not pay West Indian labour higher wages because the mentality of a negro worker is lower than that of an English worker. This statement, coming as it does from him, has aggravated the contention existing between his firm and labour out here, and if he persists along these lines, there is little doubt that further trouble will come. . . . Sir Leonard Lyle has also gone on to say that the whole unrest and rioting are caused by Communist agitation. . . . Surely Sir Leonard Lyle should be able to see that protesting against starvation wages need not be Bolshevism.” <sup>1</sup>

We will answer one other argument to account for the conditions of the West Indian workers on the sugar plantations—namely, that the companies do not make high enough profits to enable them to pay decent living wages to the labourer :

“ If . . . the low prices of natural products were the root cause of economic distress among workers in the areas affected, we should expect the converse to be equally true, and that workers in areas where the natural products are marketed at high profits would enjoy exceptional prosperity. That this is a fallacy may be seen by reference to the condition of workers in Trinidad, where the oil companies pay fabulous dividends to their fortunate shareholders. . . . The truth which is ignored is this : given conditions of complete land monopoly, the lot of the disinherited everywhere gravitates to the level of mere subsistence, regardless of how profitable the products upon which they are employed may be.” <sup>2</sup>

Africa contains Great Britain's largest and some of her wealthiest Colonies. Many of these were acquired by taking over the possessions of the old chartered companies. These companies received the assistance of the British armed forces in building up their vast possessions, and they were amply rewarded for handing over the administration and political control

<sup>1</sup> E. F. Franklin, *The Times*, May 31st, 1938, in a letter from Jamaica.

<sup>2</sup> Letter from E. M. Ginders to the *Manchester Guardian*, August 20th, 1938.



to the Crown. Some of these companies have, since the earliest days of the opening up of Africa, maintained the closest connection with the British Parliament and with the Parliament of South Africa, and have recruited their directors from the highest ranks of British aristocracy, from ex-Cabinet Ministers, and from financial circles. Conversely, men who have made wealth in the service of the companies, and have become directors, have entered these exclusive circles, and have obtained seats in the British House of Commons or in the Union Parliament.

Two of the greatest of the chartered companies were De Beers, the great diamond-mining company operating in South Africa, and the British South Africa Company of Rhodesia. De Beers Consolidated Mines was founded by the three most famous "Randlords" of the nineteenth century, Cecil Rhodes, Barney Barnato, and Alfred Beit. We take the history of the company from a famous Liberal book published in 1900.<sup>1</sup>

"It was in the seventies that Mr. Rhodes began to make money and connections in the Kimberley Diamond Fields. In the early eighties he was already in the Cape Parliament, occupied . . . mainly in preparing for a great financial coup in Kimberley. At last in the year 1888 the whole Kimberley group of competing diamond companies had been swallowed up in De Beers; and Mr. Rhodes, as manager of De Beers, was in receipt of a princely income, had four seats in the Cape Parliament absolutely at his disposal, as well as a big secret service fund provided for in the trust deeds of the new company."<sup>2</sup>

At the first shareholders' meeting on May 12th, 1888, Cecil Rhodes described the new company:

"The value of this property will be practically almost equal to the whole value of the Colony of the Cape of Good Hope. We have got an industry which is almost like a Government within a Government."<sup>3</sup>

When the amalgamation was challenged in the courts by a group of shareholders, their counsel stated that the terms of the company were so wide that it could "annex a portion of terri-

<sup>1</sup> "Liberalism and the Empire", Francis W. Hirst, Gilbert Murray, and J. L. Hammond.

<sup>2</sup> "Liberalism and the Empire", published in 1900, p. 47.

<sup>3</sup> "Randlords", by Paul H. Emden, 1935, p. 58.

tory in Central Africa, raise and maintain a standing army, and undertake warlike operations. . . . The objects of De Beers are unlimited.”<sup>1</sup> Rhodes’s prophecy came true; De Beers rapidly became “a Government within a Government”:

“Enormous profits to the directors and shareholders of De Beers accompanied the reduction of Kimberley to the condition of industrial and political servitude in which it still subsists. This monopoly . . . was the creation of a group of international financiers, working through and inspired by the genius of Mr. Rhodes. The influence of this group in the Cape Colony consolidated their conquest by legalising the compound system and exempting the diamond mines from taxation.”<sup>2</sup>

The capital of the company is now over £4,500,000. It paid on deferred shares dividends of 20–60% from 1923 to 1929, no dividends from 1929 to 1936, but 30% in 1937. We cannot follow further the career of Mr. Rhodes. We will, however, trace the descendants of the two other partners. Barney Barnato, who also sat in the South African Parliament, was succeeded in his business by three nephews, the Joels.<sup>3</sup> The eldest, Wolf Joel, died soon after his uncle. His will exceeded his uncle’s by over £1,000,000. “Solly” Barnato Joel became as powerful in diamond-mining as his uncle had been in gold.<sup>3</sup> The youngest nephew, Jack Barnato Joel, is the present head of the family. A son of “Solly” Joel, Mr. Dudley Jack Barnato Joel, sits in the British House of Commons for the Borough of Dudley, Wores., to which he was elected in 1931. “Solly” Joel left £1,000,000, “but the estate afterwards rose in value because it included holdings in gold shares”.<sup>4</sup> The “Directory of Directors” for 1938 shows that three members of the family hold 45 directorships on the South African or London boards of companies concerned almost entirely in gold, diamonds, copper, and land. A chart showing these holdings is given on page 105. The total capital of the firms in which the family is concerned is over £43,000,000.

Alfred Beit, who left some £10,000,000, died unmarried, and was followed by his brother, Otto, a member of a firm of

<sup>1</sup> “Randlords”, by Paul H. Emden, p. 59.

<sup>2</sup> “Liberalism and the Empire”, published in 1900, p. 49.

<sup>3</sup> “Randlords”, by Paul H. Emden, pp. 148 and 300 *et seq.*

<sup>4</sup> *Evening Standard*, August 24th, 1938, and see *The Times*, July 20th, 1931.

outside brokers in London which had acted for Alfred Beit in his early speculations.<sup>1</sup> Otto Beit became an English baronet. He died in 1930 and left £3,651,247.<sup>2</sup> Sir Otto Beit's son, Sir Alfred Beit, 2nd Bt., is Conservative M.P. for South-east St. Pancras, and is connected with our second big company, the British South Africa Company.

The present chairman of De Beers is Sir Ernest Oppenheimer, whose wife's sister married Captain Harold Balfour, Conservative M.P. for the Isle of Thanet. Sir Ernest is a director of 36 companies in diamonds, gold, copper, and land. He is the chairman of the Diamond Corporation, a director of the British South Africa Company, and M.P. for Kimberley in the Parliament of the Union.

We now turn to the second great enterprise of this group of financiers, the British South Africa Company. Rhodes and his colleagues Barnato and Beit turned to the goldfields of the North. This time it was the British Parliament which was influenced to assist in their speculations. By devious means a Royal Charter granting extensive powers was obtained:

"A cheque of £10,000 paid by Mr. Rhodes into the Irish Home Rule funds secured the sympathies of the Nationalist Party and of Mr. Parnell without leading a Unionist Government to suspect the character of Mr. Rhodes' Imperial patriotism. No Parliamentary enquiry was granted; no Parliamentary debate was allowed . . . at the end of the Session of 1889 a Royal Charter was granted to the British South Africa Company to exploit the vast territory of Rhodesia."<sup>3</sup>

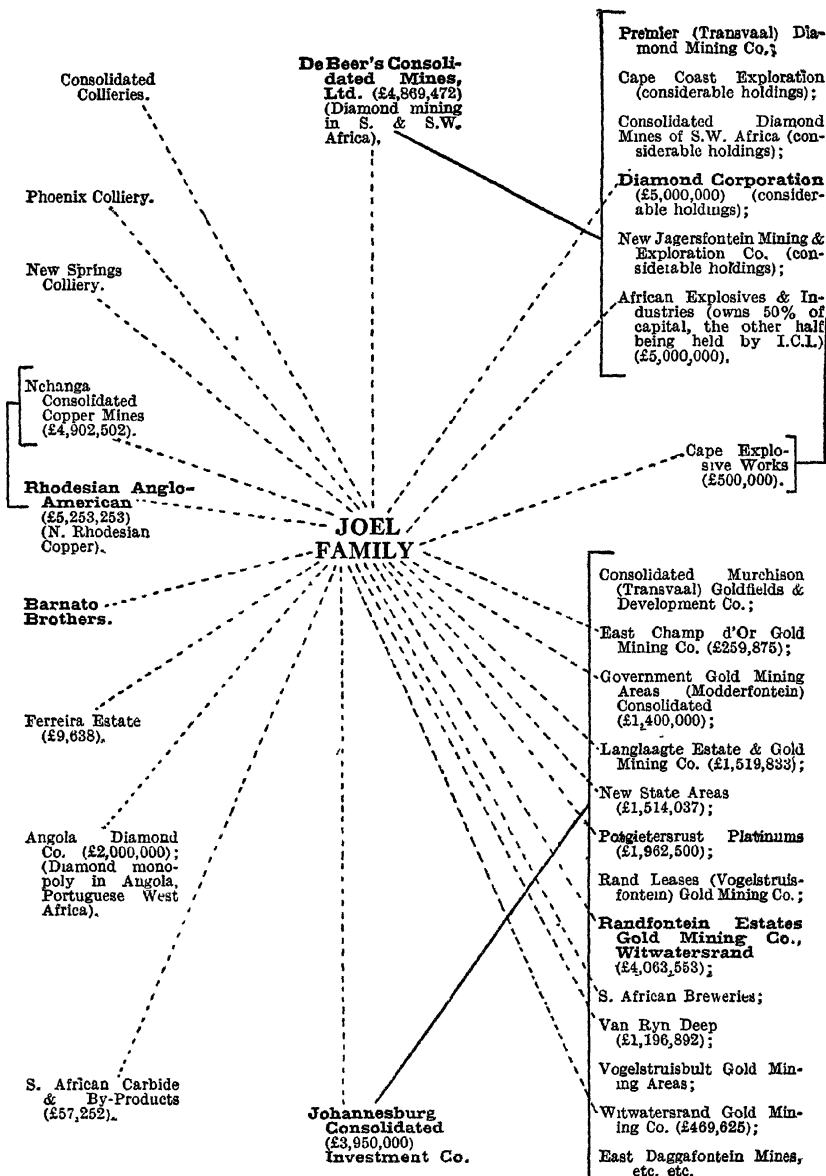
We cannot deal here with the growth of the chartered company, with the history of the Matabele "rebellion", or the notorious Jameson Raid. As a result of these incidents "a brisk business was immediately done in the chartered company's shares at an enhanced price . . . [and] such an appearance of prosperity was created that the chief shareholders of the chartered company's shares were able a little later to unload them upon the public at a heavy profit".<sup>4</sup> Mr.

<sup>1</sup> "Randlords", pp. 152, 303, 351 *et seq.*

<sup>2</sup> *The Times*, January 29th, 1931.

<sup>3</sup> "Liberalism and the Empire", published in 1900, p. 50.

<sup>4</sup> *Ibid.*, p. 53.



----- Directorships.  
 ————— Owns interests in.

*Note.—Figures after names of companies indicate issued capital.*

"JOEL FAMILY" refers to Mr. Geoffrey Joel Joel, Mr. Harry J. Joel, and Mr. Jack Barnato Joel; Mr. Dudley Jack Barnato Joel (Conservative M.P. for Dudley since 1931) does not appear in the Directory of Directors.

Labouchere, M.P., estimated the profits from these operations as follows :

	£
Mr. Rhodes . . . . .	546,876
Mr. Beit . . . . .	459,520
Beit and Rhodes (in joint names) . . . . .	837,964
Rhodes and Beit (in joint names) . . . . .	45,600
Rhodes, Rudd and Beit . . . . .	68,000 <sup>1</sup>

The profit on this series of speculations of Mr. Beit and Mr. Rhodes (and including the minor share of Mr. Rudd) was therefore £1,957,460. The dates between which these transactions took place are given as July 1895 and March 1896. Between these dates occurred the "Jameson Raid".

Not content with receiving the assistance of the Government in its financial dealings, and even in war, this concern demanded compensation when the vast territories under its control finally became part of the British Empire. The history of the company as given in the "Stock Exchange Year-book" makes amazing reading :

"Company's field of operations is Rhodesia which consists of (a) Southern Rhodesia . . . 149,000 square miles, and (b) Northern Rhodesia . . . 291,000 square miles. The whole territory was formerly administered by company under its original charter (of 1889) but on September 12th, 1923, Southern Rhodesia was formally annexed as a Colony of the British Empire and on March 31st, 1924 the company relinquished the administration of Northern Rhodesia."<sup>2</sup>

For these concessions the company received in cash from the Government £3,750,000 in 1923. It kept all mineral rights and considerable protection for its railways. It receives half the nett proceeds of the sale of any lands in North-west Rhodesia until 1964. It now owns nearly 3,500,000 acres in Bechuana-land and Rhodesia. It controls 2,708 miles of railway lines, and owns the Rhodesia Land Bank. Sir Alfred Beit, M.P., is a director of an important subsidiary, Rhodesian Railways, Ltd. A director of the British South Africa Company, the Duke of Abercorn, is related to Earl Winterton, M.P. Again, Mr. C. D.

<sup>1</sup> "Liberalism and the Empire", published in 1900, p. 54. A number of other shareholdings were also given.

<sup>2</sup> "Stock Exchange Year-book", 1938.

Hely-Hutchinson, also a director, is brother of Mr. M. R. Hely-Hutchinson (Conservative M.P. for Hastings).

Vast fortunes have been made from Rhodesia and the Rand; great English ruling families have been founded. In the earliest days the financiers who exploited these territories had behind them the political and military power of Great Britain :

“ The classes who enjoy this tribute have had an ever increasing incentive to employ the public policy, the public purse and the public force to extend the field of their private investments, and to safeguard and improve their existing investments.” <sup>1</sup>

How has “ the public policy and the public purse ” been used to improve the conditions and raise the level of existence of the African population? Have the representatives of these great companies used their position to bring the benefits of British civilisation to those who have created their wealth? The story is told for an area under another great African company, in a Colonial Office Report, published in September 1938, “ Labour Conditions in North Rhodesia ”, by Major G. St. J. Orde-Browne, Adviser on Labour Questions to the Colonial Office. The *Manchester Guardian* says of this report :

“ His conclusions . . . are not pleasant. They show clearly how inadequately the administrative system has responded to tropical industrialisation and how serious are the problems that are piling up in our African possessions. . . . On the condition of the native in his village. . . . Major Orde-Browne gives the customary distressing picture of undernourishment and disease.” <sup>2</sup>

The Report itself shows an evil which has occurred in many places throughout South Africa. Speaking of Fort Jameson, the Report says :

“ The land shortage is mainly due to the concession of some 10,000 square miles. . . . This was unfortunately followed by the eviction of numbers of natives, even though *the land was then not wanted, and indeed, has never yet been utilised for white settlement.* Wide stretches thus lie waste, where from the air can be discerned the traces of former

<sup>1</sup> Hobson, *op. cit.*, p. 53, writing in 1902.

<sup>2</sup> *Manchester Guardian*, September 21st, 1938.

cultivation. That the natives deeply regret this lost country is certain; enquiries must be cautious to avoid rousing ill-founded hope, but there is a noticeable response to any reference to 'the silent lands' as the tribesmen term them."<sup>1</sup>

The "silent lands" are a proof of Hobson's verdict :

"so long as the private, short-sighted, business interests of white farmers or white mine-owners are permitted . . . to invade the lands of 'lower peoples' and transfer to their private profitable purposes the land or labour . . . phrases about raising races of 'children' to manhood, whether used by directors of mining companies or by statesmen in the House of Commons, are little better than wanton exhibitions of hypocrisy."<sup>2</sup>

Colonial officials and Governors may not, until a specified period has elapsed, become directors of companies operating in the Colonies in which they have served, without special consent. After the specified period they do, however, often take up such positions, and they may stand as candidates for the British House of Commons. For Colonial Governors and higher officials are, for the most part, recruited from the same circles to which Tory M.P.s and directors of colonial companies belong. The Rt. Hon. Sir John Anderson, M.P., was Governor of Bengal from 1932-7. Mr. L. S. Amery (Conservative M.P. for Sparkbrook, Birmingham, since 1918) was in the Cabinet as Secretary of State for the Colonies from 1924 to 1929 and for the Dominions from 1925 to 1929. Mr. Amery is now director of a company operating on the Gold Coast, director of a company which holds sole mining rights in the Damaraland Concession in South-west Africa, director of three gold-mining companies in Australia, and president of a Trust Company with over £3,500,000 invested chiefly in land and property in Canada.

A large amount of British capital is also invested in foreign countries. The effect was described in 1902 :

"The recent habit of investing capital in a foreign country has now grown to such an extent that the well-to-do and politically powerful classes in Great Britain to-day derive

<sup>1</sup> "Colonial Office Report", Colonial No. 150, p. 39. (Our italics.)

<sup>2</sup> Hobson, *op. cit.*, p. 280.

a large and ever larger proportion of their incomes from capital invested outside the British Empire. This growing stake of our wealthy classes in countries over which they have no political control is a revolutionary force in modern politics; it means a constantly growing tendency to use their political power as citizens of this State to interfere with the political condition of those States where they have an industrial stake.”<sup>1</sup>

The investments of the British governing class cover most of the countries of the world. It is not surprising, therefore, to find that Government M.P.s, members of that class, have themselves investments in many foreign countries :

*M.P.s and Foreign Countries*

<i>Country</i>	<i>M.P.</i>		<i>Directorships</i>
Spain . . .	2	Iron Mining, Shipping . . . .	2
Jugoslavia . . .	1	Lead . . . . .	1
Norway . . . .	2	Whaling . . . . .	2
Egypt . . . . .	2	Canals, Insurance . . . . .	2
Iraq . . . . .	1	Insurance . . . . .	1
China . . . . .	1	Banking . . . . .	1
Mexico . . . . .	3	Oil, Cement . . . . .	3
Panama . . . . .	1	Tankers . . . . .	1
Colombia . . . .	1	Gold . . . . .	3
Venezuela . . .	2	Oil . . . . .	2
Peru . . . . .	1	Flour . . . . .	1
Chile . . . . .	1	Flour . . . . .	1
Brazil . . . . .	2	Gold, Coffee, Cotton, Public Works .	3
Argentine . . .	2	Finance, Railways . . . . .	2
Uruguay . . . .	2	Finance . . . . .	2

Some of these investments are of topical interest. On June 23rd, 1938, in reply to a suggestion that an embargo should be imposed on the shipping of General Franco in Britain, Mr. Neville Chamberlain replied that this might endanger the £40,000,000 of British capital invested in Rebel Spain.

The Rio Tinto Company owns 82,000 acres of freehold copper and sulphur-mining property in Huelva, Southern Spain. Among its directors is the Earl of Bessborough, who is related to Viscount Wimborne, who has two brothers and one son among Conservative M.P.s. Another director, the Hon. R. M. Preston, is brother-in-law of Captain A. H. M. Ramsay (Conservative M.P. for Peebles). Rio Tinto owns European

<sup>1</sup> Hobson, *op. cit.*, p. 357.



Pyrites Corporation Ltd., jointly with the German firm Metallgesellschaft A.-G. A London director of Metallgesellschaft A.-G. is Captain Oliver Lyttelton, who is related by marriage to Viscount Wimborne and to Col. Hon. Henry Guest (Conservative M.P. for Drake).

The Consett Spanish Ore Company numbers among its directors Viscount Ridley, nephew of Viscount Wimborne and also nephew of Rt. Hon. Viscount Wolmer (Conservative M.P. for Aldershot), and brother-in-law, through his wife, of Capt. Rt. Hon. D. Euan Wallace (Conservative M.P. for Hornsey); and the Hon. W. L. Runciman, son and heir of Lord Runciman. Col. Hon. Henry Guest, M.P., brother of Viscount Wimborne, is described in the "Directory of Directors, 1938", as a director of Orconera Iron Company, which is partly controlled by the Consett Spanish Ore Company, which paid 10% from 1932 to 1936.

The British Government recently took a strong line in defence of British oil interests in Mexico. It is clear from the Press campaign that big business outside the oil interests themselves has rallied to their support and that they would be glad to see the fall of the Cardenas Government, which is one of the most radical and progressive in any country. At least one Conservative M.P. is in the Mexican oil business.

About £1,000,000,000 of British capital is invested in South America.<sup>1</sup> The directorships of British M.P.s in South America are numerous, as we should expect; altogether they hold 15 directorships covering Panama, Brazil, Colombia, Peru, Chile, Venezuela, Uruguay, and Argentine. These include the Central Argentine Railway, with a capital of over £43,500,000, owning 3,700 miles of railway. Sir Charles Barrie (Liberal-National M.P. for Southampton) is a director of this company.

There are a number of concerns in which British M.P.s are directors whose interests are spread throughout the Empire and beyond it into other countries and into their colonies. Such a concern is Lever Brothers and Unilever, Ltd. To tell the story of the growth of this combine in West Africa alone, we should need to trace the history of the West African Colonies, of the Royal Niger Company (whose lands were transferred to the Crown in 1900 for the sum of £664,795<sup>2</sup>), and of many other companies

<sup>1</sup> Rt. Hon. W. Graham, House of Commons, November 3rd, 1930.

<sup>2</sup> "Stock Exchange Intelligence", 1926.

now absorbed by Lever Brothers and Unilever, Ltd. The "Stock Exchange Year-book" for 1938 says of this concern:

"Controls greater part of soap and margarine industries of the British Empire and, together with Lever Brothers and Unilever N.V. of Europe and other parts of the world. . . . Owns interests in over 300 associated companies including controlling interests in Australasia, Canada, South Africa and West Africa. . . ."

The issued capital now stands at over £67,000,000. Its shareholders received 15% on the ordinary shares 1932-6.

British textiles and other exporting interests have recently protested vigorously against loss of trade owing to the decreased purchasing power of the native population in West Africa. Various strikes and disturbances have recently occurred. The Leverhulme Trust, a philanthropic fund left by Lord Leverhulme, offered to finance a Parliamentary Commission to investigate conditions. The *Evening Standard* commented as follows:

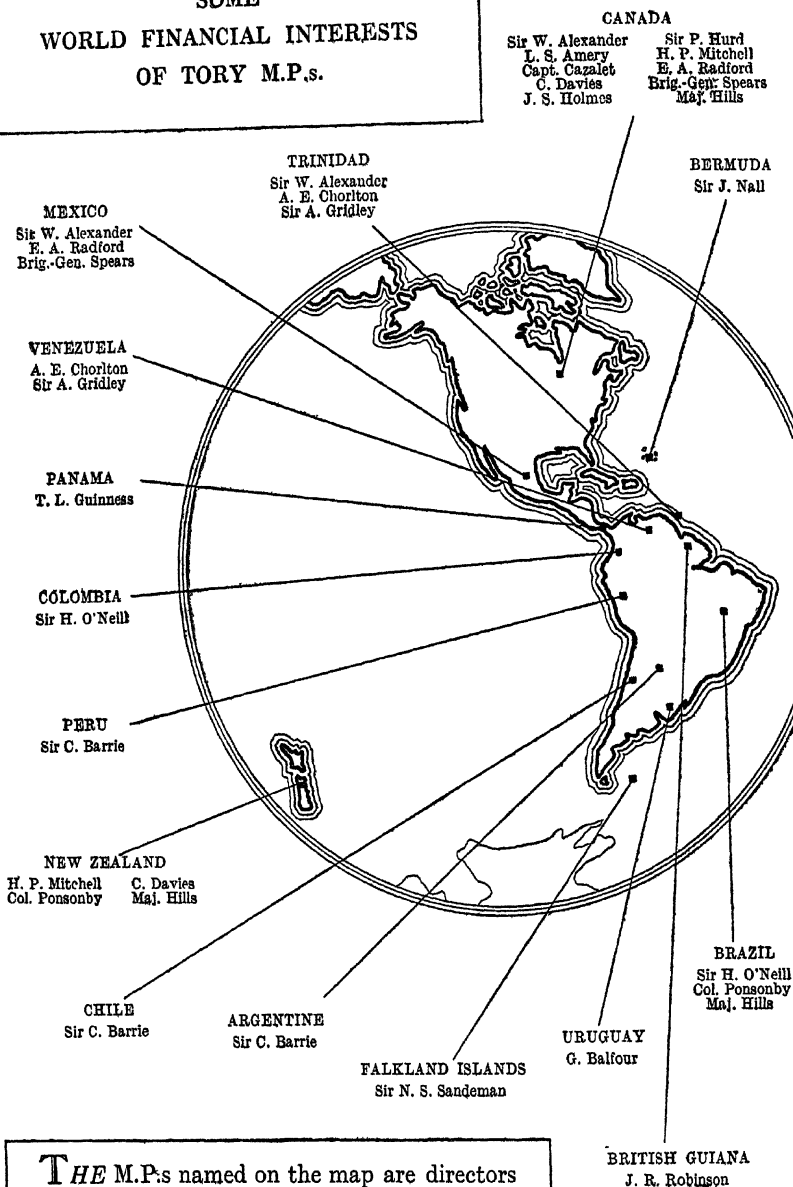
"The decision . . . has met with general approval; but I have heard a certain amount of surprise voiced at the selection of Mr. Clement Davies, M.P. for Montgomery, as a member of the Commission. Mr. Davies is a director of Lever Brothers and Unilever, Ltd. [which] owns 80% of the share capital of United Africa Company . . . a huge trading concern which exercises a virtual monopoly. . . . Monopolies, however well conducted, invariably provoke criticism. . . . Whether [the Leverhulme Trustees] were well advised in selecting a director of the Lever Combine to serve on the Commission is, however, open to question."<sup>1</sup>

The presence in the House of Commons of ex-Colonial officials and of those connected with industry and finance which trades with or invests in the Colonies is no new phenomenon. Its effect on British political life was noticed before the War:

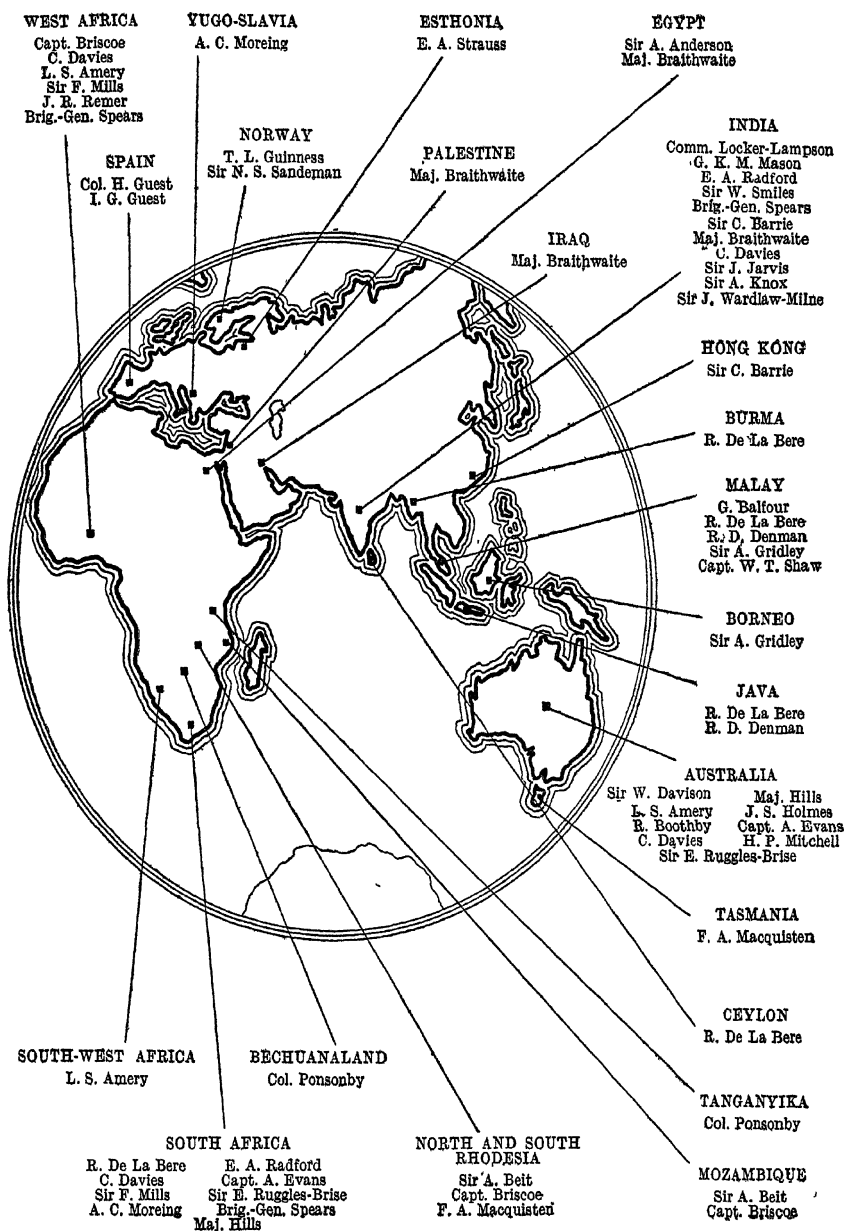
" . . . a larger and larger number of men, trained in the temper and methods of autocracy as soldiers and civil officials in our Crown Colonies, Protectorates, and Indian Empire, reinforced by numbers of merchants, planters, engineers, and overseers

<sup>1</sup> *Evening Standard*, August 10th, 1938.

**SOME  
WORLD FINANCIAL INTERESTS  
OF TORY M.P.s.**



**THE** M.P.s named on the map are directors of companies operating in or concerned with the part of the world indicated; connections with the U.S.A. are omitted.



... have returned to this country, bringing back the characters, sentiments, and ideas imposed by this foreign environment. . . . The wealthier among them discover political ambitions, introducing into our Houses of Parliament the coarsest and most selfish spirit of 'Imperialism', using their imperial experience and connections to push profitable companies and concessions for their private benefits." <sup>1</sup>

The participation of these large numbers of persons trained in or interested in the Empire may still be noted. It is no accident that the Government which has passed the "Sedition" Act, the Public Order Act, and which contains members of the Government which passed the Trades Disputes Act, has among its supporters in the House of Commons 48 directors of companies in the Empire, 79 ex-soldiers, most of whom have served in the British Empire, and many ex-governors of Colonial possessions. "Those," said Hobson, "who have felt surprise at the total disregard or open contempt displayed by the aristocracy and plutocracy of this land for infringements of the liberties of the subject and for the abrogation of constitutional rights and usages have not taken sufficiently into account the steady influx of this poison of irresponsible autocracy from our 'un-free, intolerant, aggressive' Empire." <sup>2</sup>

At the end of three articles in *The Times* on the West Indies Mr. Harold Stannard said :

"It is time some of the money which was removed under a conception of Empire which our consciences now repudiate should be put back. . . . Both the policy of betterment and the methods by which it can be carried out must ultimately derive from England. . . . What is needed is a wave of moral enthusiasm in England, sweeping through the House of Commons and flooding the Colonial Office, such as that which abolished slavery." <sup>3</sup>

The public would welcome such a movement, but this moral enthusiasm will need leaders, and leaders, we believe, are not to be found amongst the members of the present Tory majority, which represents the social class interested for other reasons in the Empire. On the contrary :

<sup>1</sup> Hobson, *op. cit.*, p. 150, writing in 1902.    <sup>2</sup> Hobson, *op. cit.*, p. 152.

<sup>3</sup> *The Times*, May 27th, 1938.

“ the power of the imperialist forces within the nation to use the national resources for their private gain, by operating the instrument of the State, can only be overthrown by the establishment of a genuine democracy, the direction of public policy by the people for the people, through representatives over whom they exercise a real control.” <sup>1</sup>

To-day in all parts of the world there is a great struggle between democracy and autocracy. The Colonial Empire is not isolated from this struggle; we live under the threat of war, and no one can seriously believe that the Colonial Empire would not play a big part in deciding its outcome. What part do the Colonial peoples play in the battle for democracy, when they themselves have no democratic rights and the British governing class refuses to grant such rights? The pretended defence of democracy by the British Conservative Party can only be regarded by the Colonial peoples as a monstrous piece of hypocrisy.

If Britain under a Conservative Government gets into difficulties, we can be quite sure that the Colonial peoples will refuse to help us, and wherever they feel strong enough, will seize power from the British governing class. The whole Empire is becoming tremendously unstable, and any great shock is certain to put an end to a situation where the business men of one small island rule over a great part of the world.

The British Empire is, in fact, a very weak force in this battle for democracy, weak because of its own internal dissensions. It is also to a great extent open to internal disruption by Fascism. The extent to which Italian Fascism has been able to play on genuine grievances of the Arabs in Palestine to provoke a civil war for its own ends has shown this convincingly. The British Empire must inevitably become an even weaker force unless the cause of its weakness is remedied. It must inevitably become more and more divided within itself unless democratic methods of government are allowed to replace the present autocratic rule. The present weakness of our Empire may not only spell disaster for the Colonial peoples who can in many parts of the Empire become easy victims of Fascism, but can spell disaster for the people of these islands who more than ever before need allies both within and without the Empire.

<sup>1</sup> Hobson, *op. cit.*, p. 360.

It is the Tory business men who are responsible for this weakness of our Empire. It is they who have alienated the friendship of millions. Never again can there be anything but mistrust and suspicion of a British Tory Government among the Colonial peoples; the Tories and the vested interests are for ever identified.

Only a British Government with a genuine belief in democracy, and prepared to show by its actions that it wishes to help the Colonial peoples to be free and remain free, could regain that friendship which Tory Governments have so tragically lost. Such a Government could create a Commonwealth of Democratic Nations living side by side in friendship and harmony. No people would wish to leave such a Commonwealth founded on common interest, and not on the vested interests of the British governing class. Our weak Empire would be replaced by a powerful union of nations which could do much to preserve democracy, peace and economic prosperity throughout the world. Hobson wrote in 1902 of the possibility of such a Commonwealth :

“This common bond is already so strong as to furnish a solid and stable foundation for political federal institutions, if only the obstruction of class governments could be broken down and the real will of the peoples sit in the seat of authority . . . Secure popular Government, in substance and in form, and you secure internationalism; retain class Government and you retain military Imperialism and international conflicts.”<sup>1</sup>

Since 1902 the situation has changed a great deal. “Class government” in thirty years has alienated the friendship and provoked the violent hostility of whole races. The task is to-day more difficult, but more urgent. The only choice is between the violent disruption of the Empire in the not very distant future, and the encouragement of real democracy, so that the “will of the peoples sits in the seat of authority” which can create an Empire deserving of a better name, a real Commonwealth of Nations.

<sup>1</sup> Hobson, *op. cit.*, p. 171.

## CHAPTER VI

### *Aristocracy in the House of Commons, or the Modern Cousinhood*

“ The essence of an aristocracy is to transfer the source of honour from the living to the dead, to make the merits of living men depend not so much upon their own character and actions as upon the actions and position of their ancestors; and as a great aristocracy is never insulated, as its ramifications penetrate into many spheres, and its social influence modifies all the relations of a society, the minds of men become insensibly habituated to a standard of judgement from which they would otherwise have recoiled.”—Lecky, “ Rise and Influence of Rationalism ”, Vol. I.

“ You, the gentlemen of England—you with your ancestors behind you and your posterity before you—with your great estates, with your titles, with your honours, with your heavy stake in the well-being of this land, with an amount of material prosperity, happiness, dignity and honour which you have enjoyed in the last two hundred years, such as never before fell to the lot of any class in the world . . .”—Robert Lowe M.P., Speech in the House of Commons, May 20th, 1867.

MANY of the Conservative M.P.s who have been mentioned in this book are titled. Many others whom we have not yet mentioned are also members of the aristocracy. On the Government benches in the House of Commons we find :

Earl Winterton.  
Marquess of Titchfield.  
Marquess of Clydesdale.  
Viscount Cranborne.  
Viscount Castlereagh.  
Viscount Wolmer.  
Lord Balmiel.  
Lord Burghley.  
Lord Apsley.  
Lord C. Crichton-Stuart.  
Lord Dunglass.  
Lord William Scott.  
Lord Willoughby de Eresby.

These are not the names of commoners and yet they are members of our House of Commons. They are all Conservative M.P.s; and they are only a few of the titled persons among our present Government majority. A multitude of Baronets, Knights and Honourables crowd the Government benches.



Many others who carry no titles are members of aristocratic families.

It is a general opinion that the aristocracy plays little part in modern politics, but this opinion is an illusion. The political influence of the aristocracy is not confined to the House of Lords. Aristocrats sit in the House of Commons and the Cabinet. In the Cabinet<sup>1</sup> there are a Marquess, three Earls, two Viscounts, a Baron, and a Baronet. The Cabinet is responsible to the House of Commons.

What relevance have these titles to the serious problems with which we are confronted? Many of the most important positions in the State are held by aristocrats. Are these aristocrats the best defenders of our democratic constitution? Only the Conservative Party enables these titled persons to hold positions of such power and influence. The Conservative Party prefers members of the House of Lords to all the 415 Conservative supporters in the House of Commons, as Foreign Secretary, to guide our democratic country through the difficulties of the present international situation; as Minister of Education, to inspire the instruction of our children in elementary and secondary schools; and as Secretary of State for India, to ensure the smooth working of the new Indian constitution.

The aristocracy forms such an important part of the Conservative Party that a study of the Conservative aristocracy can teach us a great deal about our political institutions.

Among the members of titled families in the House of Commons are many whose titles date back to the nineteenth century, and a number whose titles are older. It is still relevant to-day to ask how these families obtained their titles, for it will help us to understand how they have maintained their position in the Government over so many generations. An attempt must be made to assess the relevance of hereditary titles to our political problems, and to determine whether the traditions of an hereditary caste are an advantage or a hindrance to social progress to-day.

Other Conservative M.P.s belong to our newest aristocracy. Recent Governments, and in particular Conservative Governments since 1931, have been lavish in bestowing titles. A study of the men who have received these titles will give us an accurate

<sup>1</sup> December 1938.

understanding of the newest aristocracy, a class to which many Conservative politicians belong.

The few titled names already mentioned show that there is a very close connection between the Conservative Party in the House of Commons and the House of Lords. Is our House of Lords to-day just the corpse of a mediaeval oligarchy, or do its members play some important part in guiding the ship of State? Does not the double representation of the noble families in Lords and Commons suggest that these aristocrats still have great power and political responsibility? Have they a sense of responsibility for our democratic institutions, or are they concerned only with the protection of rank and privilege?

To answer these important questions we must analyse that part of our aristocracy which is closely connected with our House of Commons; this can be done only by making incursions into history.

The British aristocracy originated in the days of feudalism. Feudalism meant essentially "rule by the owners of land", and titles were a symbol of the political and economic power of the landowning class. Feudal theory made the King owner of all the land of England, and all other landowners tenants of his. From the King downwards there was an elaborate hierarchy, and the meanest owner of a strip of land held it in fee from someone whose landlord was ultimately the King. The possession of a noble title was founded on the possession of land. Often the land was given directly by the King; sometimes it was seized in civil strife. But however the land had been obtained, the English peerage was the big landowning class.

The English nobility was, of course, constantly quarrelling among itself and with the King, but in the main it always managed to retain its position. Throughout the later Middle Ages titles were evidence both of ownership of land and of political power.

The number of recruits to the aristocracy in each generation was small. Entry into the aristocracy depended upon the acquirement of land. Burke, whose "Peerage" and "Landed Gentry" are the Bradshaw of the aristocracy, discusses the ways in which our oldest families obtained the land on which the family fortunes were founded:

"Thanes there were in those days [before the Norman Conquest], and of these only a very few survived after the

Conquest as tenants-in-chief holding directly of the Crown in England; but some of them continued to hold their lands of one or other of the 'novi homines' who came in as 'Companion-in-arms of the Conqueror', as the old phrase runs. Other families came in as the followers of those 'Companions', for the founders of 'Norman' families were not always either Norman or noble, and the nice ears of some of the descendants, even of the best of them, have at times been shocked at the impoliteness of the original nicknames applied to ancestors who would themselves have smiled to see the polite development during later centuries of the Norman equivalent of 'Fat-chaps' or 'Big-belly', into the respected nomenclature of to-day. The wastage by warfare, whether internecine or international, tended to throw land into the possession of heiresses who transferred it by marriage to newcomers, for the valuable Royal right of wardship enabled the Crown to provide for impecunious supporters by granting the hand of a suitable heiress in marriage. This was one way in which the process of renewing the Landed Gentry was effected. The entry of the sons or grandsons of merchants into the class began earlier than might have been expected; but for many years its chief recruits were those men who had been fortunate in a campaign abroad or had been lucky enough to find themselves on the winning side of a civil war at home. These men, however, did not make large fortunes. Richer men were those who survived the hazards which beset old-time trade, or bought wisely when monastic lands came into the market after the Dissolution, or took advantage of older families which had to sell land at a sacrifice to meet fines for 'recusancy' after the Reformation, or raise money to 'compound' for 'malignancy' during the Commonwealth."<sup>1</sup>

In later times entry into the ranks of the aristocracy still depended upon the possession of land, but this land could be bought with fortunes earned in other ways :

"Still richer were those who had made fortunes as Army Contractors in Marlborough's Wars or had enjoyed the proceeds of some patent-office in the days when both the Law and public opinion tolerated proceedings which would not now pass the Auditor-General. What even in these days

<sup>1</sup> Burke's, "Landed Gentry", 1937, p. xxiii.

would be accepted as satisfactory fortunes were brought home later in the 18th century by the sugar planters of the West Indies and the ' nabobs ' of the East Indies, who bought landed estates and Seats in Parliament so lavishly that the price of the latter rose to such a figure as to cause marked annoyance to those Peers and others who had to rely on the acquisition of or retention of ' pocket-boroughs ' to maintain the influence of their families or the predominance of their Party in Parliament and had no more than rents, royalties, crown pensions, or the Funds on which to draw for the purpose. But none of these earlier recruits to the Landed Gentry, no matter how fortunate they had been in war, politics, commercial ventures to India or the Levant, or in sugar, or tobacco could rival the prodigious wealth which was acquired by individuals who had engaged successfully in industry or in the exploitation of collieries, gold or other mines abroad, oil-wells, or banking during the last half century. From among these the Landed Gentry of to-day has been largely recruited. . . ." <sup>1</sup>

Burke is speaking of the " landed gentry ", but his remarks apply equally to the aristocracy, who were simply the most influential and wealthy part of the " landed gentry ".

The Great Rebellion made the House of Commons supreme and made the Ministers responsible to the Commons and no longer to the King :

" It is true that despite repeated attempts, the 18th-century Whigs never succeeded in placing the Government departments under the control of committees of Parliament, and in thus securing the complete subordination of the executive to the legislature. But it is equally true that the heads of these departments, the Cabinet Ministers, were members of Parliament, and responsible to Parliament for the measures they took, the appointments they made, and for the way in which they carried out the presumed wishes of the national representatives." <sup>2</sup>

This great increase of power of the House of Commons did not, however, in the least mean a change of power in the

<sup>1</sup> Burke, *op. cit.*

<sup>2</sup> Halévy, " A History of the English People ", 1912. Pelican Books, 1938, Vol. I, p. 32.

country. The aristocracy found it easier, more convenient, and more efficient to run affairs through the Commons than to rely on the changeable favours of a monarch :

“ This aristocracy controlled all the machinery of Government. It was supreme in both Houses of Parliament and disposed at pleasure of every Government office. All the local administration of the country was in its hands.”<sup>1</sup>

The undisputed constitutional power of Parliament, then, meant not a less but more direct control of the affairs of the country by the aristocracy :

“ In 1827 Croker told Canning that 208 House of Commons seats were in the hands of the Tory Aristocracy. . . . Here may be found the real power of the Lords. The Duke of Wellington said . . . in 1817 . . . ‘ nobody cares a d——n for the House of Lords, the House of Commons is everything in England and the House of Lords nothing ’ . . . but then the House of Commons was full of the nominees of the Lords. Lord Lonsdale sent nine, Lord Hertford and Lord FitzWilliam each eight, the Duke of Devonshire and Lord Darlington each seven; several others were responsible for five or six.”<sup>2</sup>

Before the passing of the Reform Act of 1832 there was so little public control that the aristocracy used their power not only to defend and advance the general interests of their class but, moreover, to provide pensions and sinecures for themselves. One example of the extent of such sinecures is the Dundas family, one branch of which is the Marquesses of Zetland. The 1st Viscount Melville was for many years a confidant of Pitt. He was at the same time Minister of War, President of the Board of Control, and Treasurer of the Navy. For this latter post he received £4,000 per annum. He was appointed Lord Privy Seal of Scotland and granted the stewardship of Fife, with arrears of £3,000, while his wife was given a pension of £1,500 per annum. On his death his son was appointed Lord Privy Seal of Scotland with a salary of £2,675; his wife was granted £1,000, his daughter £300 a year, and his grandson was made Lord of the Admiralty at £10,000 a year. The family motto is “ Quod potui perfecti ”—“ I have done what I could ”.<sup>3</sup>

<sup>1</sup> Halévy, *op. cit.*, Vol. II, p. 35.

<sup>2</sup> O. F. Christie, “ The Transition to Democracy ”, 1934, p. 145.

<sup>3</sup> See Howard Evans, “ Our Old Nobility ”, 3rd edition.

For a long time after the Reform Act of 1832 the aristocracy was still the governing class.

Lord Morley, writing of London society in 1840, said :

“ So much of the governing force of England [was] still gathered into a few great houses, exclusive and full of pride. . . . ” <sup>1</sup>

The landed gentry were little affected by the extension of the franchise for several generations :

“ The *pocket* of the landlord was not affected by the Act. . . . And Land continued to dominate the House of Commons. Writing in 1867, Bagehot remarked that besides the County Members, ‘ the landed interest takes plenty of seats from other classes. Half the Boroughs of England are represented by considerable landowners. In number the Landed Gentry in the House far surpass any other class. ’ ” <sup>2</sup>

The landowners were drawn from such a small class that a great number of them were closely related. Family relationship played an important part in deciding the distribution of the spoils of office. The leading figures in the Government of the time and their relations, who often held the most influential positions, were called by the wits of the age, “ The Cousinhood ” <sup>3</sup>

Good illustrations of aristocratic “ cousinhood ” in Parliament after the Reform Act are not difficult to find. O. F. Christie provides a picturesque one :

“ When Lord John Russell formed the Administration of 1846, his opponents alleged that it was mainly composed of his cousins. Certainly his relatives had their share of the spoils of office; the Home Secretary and War Secretary *were* his cousins; the Colonial Secretary and the Chancellor of the Exchequer were his sons-in-law, and his father-in-law was Lord Privy Seal. ” <sup>4</sup>

Lord Granville describes how the “ sacred circle of the great-

<sup>1</sup> “ Life of Gladstone ”.

<sup>2</sup> Christie, “ The Transition to Democracy ”, 1934, p. 145.

<sup>3</sup> “ New English Dictionary ” quotes Macaulay ( “ Essays ” 1838 ): “ There were times when the cousinhood, as it was once nicknamed, would of itself have furnished . . . the material . . . for . . . an efficient Cabinet ”.

<sup>4</sup> Christie, “ The Transition from Aristocracy ”, 1927, p. 144.

grandmotherhood" extended even into the ranks of the Opposition :

"I had better make a clean breast of it at once; and I am obliged to admit that some of those who went before me had such quivers full of daughters who did not die old maids that I have relations upon this side of the House, relations upon the cross benches, relations upon the opposite side of the House, and I actually had the unparalleled misfortune to have no fewer than three cousins in the Protectionist Administration of my noble friend opposite."<sup>1</sup>

The House of Commons in the nineteenth century was, in fact, still nakedly and unashamedly dominated by a small band of titled and noble gentlemen, the great majority of whom were closely related. The imposition of Parliamentary democracy disturbed them but little in their secure seats at the head of the State. As the idea of democracy became more and more the central theme of the British constitution, as more and more democratic rights were won by the people, as new democratic parties grew up directly representing the people, we might expect to find the aristocracy removed from the control of our body politic.

What are the facts to-day? What has happened to the "sacred circle of the great-grandmotherhood"? The answer to this question is so complex that we provide a large chart to illustrate it, a chart which shows, in the simplest way we have managed to devise, the connections of some of our Government M.P.s with the British aristocracy.

The House of Commons is, in theory, what its name implies, a house representing the commonalty—the people of the country. Let us examine these "commoners" in detail.

First as to the actual facts illustrated by the chart facing this page, which we have called "*The Cousinhood in the House of Commons*". It shows fifty-three Government members of Parliament related to members of the Peerage. The peers mentioned on the chart are largely an arbitrary selection. If space had permitted, two or three hundred peers could have been included.

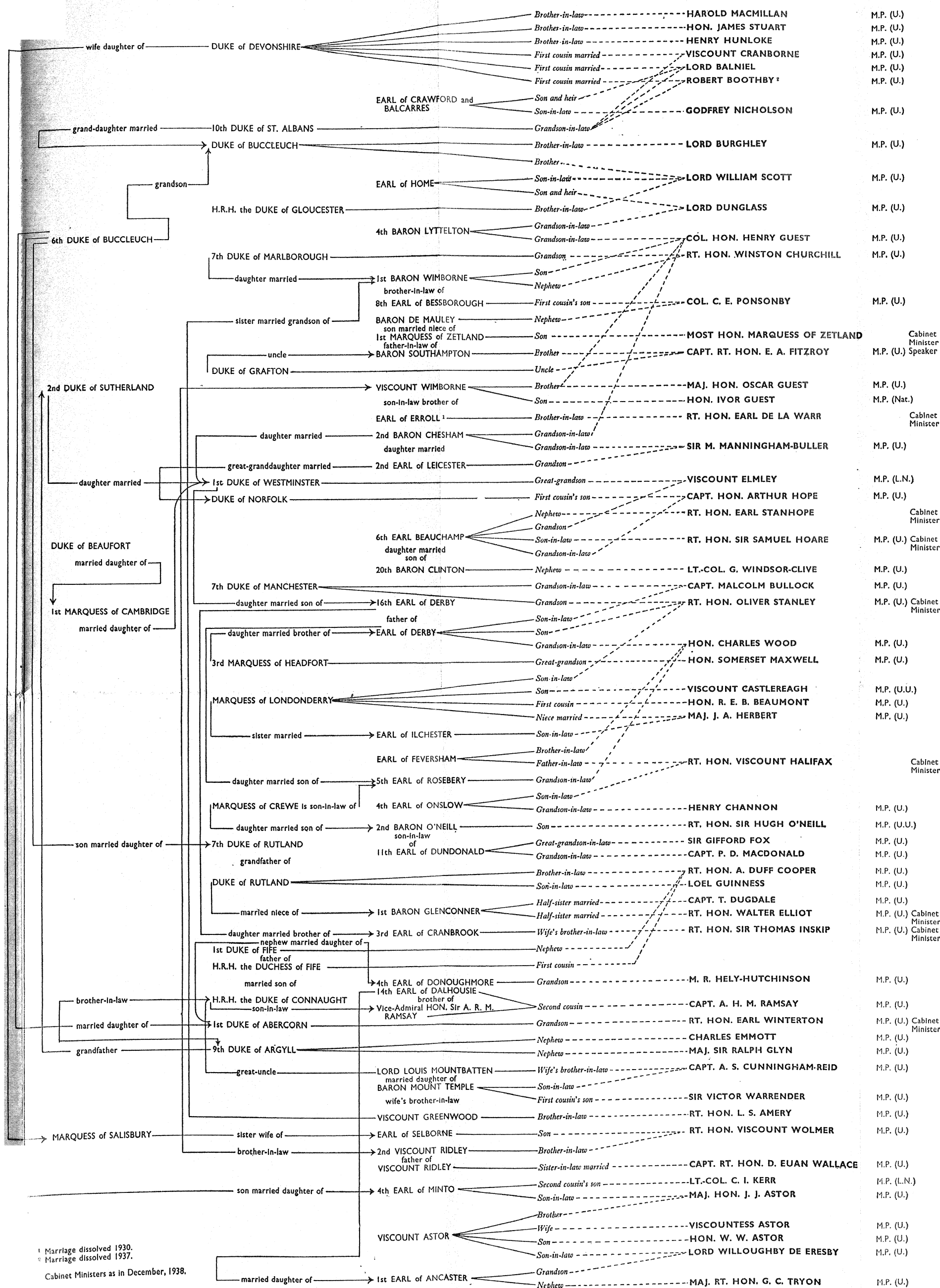
This chart by no means tells us the whole story of aristocratic

<sup>1</sup> Christie, "The Transition from Aristocracy", p. 145.









## The "Cousinhood" in the House of Commons



connections in the House of Commons. Difficulties of space have forced us to limit our material strictly. If space allowed and we were to go back another generation or two, yet another ninety-five M.P.s could be included.

The full extent of the inter-relationship of the persons on the chart is not shown; a chart of immense complexity would be needed. It is, however, enough to show how a large part of our leading Conservatives really belong to one great family. We have called these aristocratic members of our House of Commons, the "Cousinhood". Most of the M.P.s in the "Cousinhood" can claim a whole series of their fellow members as relations. Half the leaders of the Conservative Party have "cousins" on the back benches. Some one hundred and forty-five Conservative M.P.s could be linked in a continuous chain of family relationship. The families of the "Cousinhood" are half our governing class.

Some of the M.P.s included in the "Cousinhood" are not themselves of aristocratic birth, but have married into the aristocracy. As we show later, the House of Commons is one of the main recruiting-grounds for the peerage. Marriage with an aristocrat often precedes a title, and not infrequently precedes a successful political career.

In all these ways, in all collective aspects, the chart very considerably underestimates the connections of Government M.P.s with one another and with the peerage; for any individual M.P. his relationship with such-and-such an aristocratic family may not be of particular political significance.

Certain other points about the chart should be noted. Nine Cabinet Ministers in the Government <sup>1</sup> are shown in the "Cousinhood" chart. Until Lord Stanley died there were ten Cabinet Ministers related to the Peers in the chart. In addition to these nine Cabinet Ministers connected with noble families, two others are themselves members of the aristocracy—Lord Maugham, Lord Chancellor, and Viscount Runciman, Lord President of the Council. Such is the leading executive body responsible to the House of Commons. Times have not changed very much in the past fifty years :

"Every Cabinet from Lord Grey's Reform Bill Administration to that of Disraeli in 1874 was wholly or almost wholly

<sup>1</sup> December, 1938.

aristocratic . . . birth and connection were almost indispensable to cabinet rank.”<sup>1</sup>

Professor Laski gives a similar picture for a later period; he shows that of 69 Ministers who held office between 1885 and 1905, 40 were sons of nobility; while even between 1906 and 1916, 25 out of 51 Ministers were sons of nobility; in the period 1917-24, which included the first Labour Government, there were 14 aristocrats out of 52 Ministers: in the period 1801 to 1924 306 persons held Cabinet office, and of them 182 were aristocrats.<sup>2</sup>

The National Government, which appoints 11 aristocrats or relations of aristocrats to a Cabinet of 21, is continuing the century-old Tory tradition of rule by the Great Families.

Some of the other M.P.s in the “Cousinhood” hold important sub-Cabinet posts.<sup>3</sup> Captain Fitzroy, for example, is Speaker of the House of Commons. The Hon. W. W. Astor is Parliamentary Private Secretary to the Home Office; Lord Dunglass is Parliamentary Private Secretary (unpaid) to the Treasury; Major Tryon is Postmaster-General with the Hon. R. E. B. Beaumont as his Parliamentary Private Secretary; Mr. Henry Channon is Parliamentary Private Secretary to the Under Secretary to the Foreign Office; Captain T. Dugdale, the Hon. James Stuart and Lt.-Col. C. I. Kerr are Lords Commissioners to the Treasury, and together with the Hon. Arthur Hope are assistant Government Whips; Captain D. Euan Wallace is Financial Secretary to the Treasury; and the Hon. Somerset Maxwell is also Parliamentary Private Secretary (unpaid) to Sir Victor Warrender who is Financial Secretary to the War Office.

More general figures from our full lists on pages 130 and 165 show that of some 68 Under-Secretaries, other Junior Ministers, and Parliamentary Private Secretaries, 20 M.P.s are related to the aristocracy, 13 belong to other families which are Landed Gentry, and 5 are themselves Peers and sit in the House of Lords. The Peers include the Marquess of Dufferin and Ava, who is Parliamentary Under-Secretary to the Colonial Office; the Duke of Devonshire, Parliamentary Under-Secretary to the Dominion Office, the Earl of Plymouth, Parliamentary Under-

<sup>1</sup> Christie, “The Transition from Aristocracy”, p. 114.

<sup>2</sup> “The Personnel of the English Cabinet 1801-1924”, Fabian Tracts 223.

<sup>3</sup> December, 1938.

Secretary to the Foreign Office and Lord Strathcona and Mount Royal, Parliamentary Under-Secretary to the War Office.

A young and in some ways unorthodox Tory M.P., Captain J. R. J. Macnamara, gives *his* opinion of the importance of coveted Parliamentary positions :

“ The Government encourages its own particular channel for ‘ getting on ’. This is the system of P.P.S.s—Parliamentary Private Secretaries . . . the appointment of Parliamentary Private Secretaries is haphazard at the best of times and often dictated purely by personal favouritism or family connections. . . . In practice it means that the Government can rely on nearly a hundred votes (from Ministers and their P.P.S.s) before the rest of our Council of State has a chance of expressing itself. . . . P.P.S.s should not, I feel, be appointed because of the ties of personal friendship or family connection. . . . Besides, government is a matter for the nation, not the province of the dinner-table. Because you are married to Mr. X’s aunt it does not follow that Britain is the better served because Mr. X is learning the job of your Ministry.”<sup>1</sup>

Many of the M.P.s in the “ Cousinhood ” have held in the past positions of first importance. The Rt. Hon. L. S. Amery, for example, has been First Lord of the Admiralty, Secretary of State for the Colonies, and Secretary of State for the Dominions. Sir Hugh O’Neill was first Speaker in the House of Commons of Northern Ireland in the troubled period from 1921 to 1929. Viscount Cranborne is ex-Parliamentary Under-Secretary of State for Foreign Affairs.

The “ Cousinhood ” of to-day to a great extent governs the country. As we shall show in more detail, the fathers and grandfathers of these same people have held executive power in this country for generations.

The whole system of hereditary privilege can be regarded as a reflex of property. Large-scale ownership of the main *sort* of property in any given period is the chief criterion for the granting of titles and peerages. In times gone by they were granted directly by the monarch; and indeed they still are in theory. Everyone knows that in practice the Honours List is

<sup>1</sup> J. R. J. Macnamara, “ The Whistle Blows ”, 1938, pp. 147-8.

prepared by the Government in power. Peerages are given to leading industrialists in 1938 for the same basic reason that they were granted to important landowners in the sixteenth century.

The oldest noble families have their biggest stake in land. Among them are such widely known names as the Dukes of Buccleuch and Devonshire. In the nineteenth century the main form of property changed, and it was the leaders of the big basic industries who mainly received peerages. The Guest family is an example. The third group will be dealt with in detail later, and consists of leaders of newer industries, such as the Press, chemicals, electricity, the motor industry, and so forth. Some of these families are already inter-married with the older aristocracy—for example, the Illingworths—while some have received peerages only recently and are not yet fully inter-related with the main body of British aristocracy. Examples of this last class are the families of Lords Essendon, Inverforth, McGowan, Runciman, and Greenwood.

When land was the chief form of property, the peers were landowners. When large-scale industry began to increase in importance, peers were to be found among the biggest industrial magnates. To-day most of the newest industries number peers among their directors. The new aristocracy in each generation has been fairly rapidly assimilated by the old.

During the struggle which inevitably occurred between interests in one sort of property and interests in another, some noble families remained obstinately on the wrong side of the fence. These families have tended to lose their positions in the governing class and to be replaced by new commoners. But a majority of the British aristocracy have survived any such struggle by attaching themselves to, and identifying themselves with, the winning side. Indeed, our aristocracy have always shown an extraordinary astuteness in economic matters, and are remarkably long-sighted whenever it is a question of the retention of their leadership. This main body of aristocratic survivors is now closely connected with the leadership of industry. This leadership may still in some cases be based on land. The Industrial Revolution, for example, caused a dramatic increase in the value of sites in or near towns or containing coal-seams. The remarkable successes in land speculation achieved by the aristocracy were also a result of the growth of industry.

We shall now illustrate our main argument by tracing the political history of a number of the big aristocratic families of England. On page 130 a table gives a comprehensive list of those Conservative M.P.s with aristocratic connections. It shows the close connection between the membership of Lords and Commons. The families whose history we examine below appear in the tables and also on our Cousinhood chart.

The family of the Duke of Buccleuch illustrates very forcibly how an old landed family has been able to retain political power for over 300 years, in spite of the Industrial Revolution, the extension of the franchise, and the growth of democracy in the nineteenth and twentieth centuries. It has been able to retain its power only because it has retained its property. As in the seventeenth century the family property still consists mainly of land.

The Dukedom was created in 1663; but there are several earlier titles which are still held by the leading member of the family. The Duke is also Baron Scott of Buccleuch, created 1606; Baron Scott of Whitchester and Eskdale, 1619; and so on. He has in all 2 Dukedoms, 1 Marquessate, 5 Earldoms, 3 Viscountcies, and 5 Baronies. Family seats were listed about 1890 as follows: Boughton House, Northants; Ditton Park, Slough; Beaulieu, Hampshire; Dalkeith House, East Park and Smeeton, nr. Edinburgh; Drumlanrig Castle and Langholm, Dumfriesshire; Branxsholme, Roxburgh and Bowhill, Selkirk; making a total of 12 seats. The Dukes of Buccleuch owned landed property in 14 counties to a total acreage of 460,000.<sup>1</sup> This property had a rent-roll of £216,473 a year.<sup>2</sup> They were also patrons of eleven church livings.<sup>3</sup>

Scott describes the life of the Duke's forefathers in the "Lay of the Last Minstrel".

There is the story of how the "bold Buccleuch" obtained Eskdale, of which the Duke now holds the title of Baron. The lands of Eskdale were tilled by the Beattison clan, whose lord was one Earl Morton, though he held no lordship over their lands. The Beattisons were forced to repudiate the growing demands of their lord, whereupon he went to Scott of Buccleuch and traitorously sold to him his lordship. Scott took with him

<sup>1</sup> "Who Was Who", 1897-1916. Entry under 6th Duke.

<sup>2</sup> J. Bateman, "Great Landowners of Great Britain", 1879.

<sup>3</sup> Howard Evans, *op. cit.*



# *Relations of the Peerage in the House of Commons.<sup>1</sup>*

Irish Peer in his own right

EARL WINTERTON, M.P. (8th Earl cr. 1766)

Horsham and Worthing

## *Heirs to Peerages*

### *Peer.*

#### *House of Lords.*

7th Earl Bathurst, cr. 1772  
 2nd Viscount Astor, cr. 1917  
 27th Earl of Crawford, cr. 1398  
 5th Marquess of Exeter, cr. 1801  
 7th Marquess of Londonderry, cr. 1816.  
 13th Duke of Hamilton, cr. 1643  
 4th Marquess of Salisbury, cr. 1789  
 13th Earl of Home, cr. 1604  
 7th Earl Beauchamp, cr. 1815  
 1st Viscount Wimborne, cr. 1918  
 1st Viscount Haisham, cr. 1929  
 1st Baron Rankellour, cr. 1932  
 1st Baron Blackford, cr. 1935  
 11th Baron Farnham, cr. 1756  
 6th Duke of Portland, cr. 1716  
 2nd Earl of Ancaster, cr. 1892  
 2nd Earl of Selborne, cr. 1882  
 3rd Viscount Halifax, cr. 1866

### *M.P.*

#### *House of Commons.*

LORD APSLEY  
 HON. W. W. ASTOR  
 LORD BALNIEL  
 LORD BURGHEY  
 VISCOUNT CASTLEREAGH  
 MARQUESS OF CLYDESDALE  
 VISCOUNT CRANBORNE  
 LORD DUNGLASS  
 VISCOUNT ELMLEY  
 HON. IVOR GUEST  
 HON. QUENTIN HOGG  
 CAPT. HON. ARTHUR HOPE  
 LT.-COL. HON. G. K. M. MASON  
 HON. SOMERSET MAXWELL  
 MARQUESS OF TITCHFIELD  
 LORD WILLOUGHBY DE ERESBY  
 FR. HON. VISCOUNT WOLMER  
 HON. CHARLES WOOD

### *Constituency.*

Bristol Central  
 Fulham East  
 Lonsdale, Lancs.  
 Peterborough  
 County Down  
 Renfrew East  
 Dorset South  
 Lanark  
 Norfolk East  
 Brecon and Radnor  
 Oxford  
 Aston  
 Croydon North  
 King's Lynn  
 Newark  
 Rutland and Stamford  
 Aldershot  
 York

## *Younger Sons of Peers*

1st Viscount Astor, cr. 1917  
 1st Viscount Allendale, cr. 1911  
 3rd Marquess of Bute, cr. 1796  
 3rd Baron Southampton, cr. 1780  
 1st Baron Wimborne, cr. 1880  
 1st Baron Wimborne, cr. 1880

MAJ. HON. J. J. ASTOR  
 HON. R. E. B. BRAUMONT  
 LORD C. CROFTON-STUART  
 CAPT. RT. HON. E. A. FITZROY  
 COL. HON. HENRY GUEST  
 HON. OSCAR GUEST

Dover  
 Portsmouth Central  
 Northwich  
 Daventry  
 Drake  
 Camberwell North-west

Leicester West  
 Antrim  
 Roxburgh and Selkirk  
 Westmorland  
 Salford South  
 Moray and Nairn  
 Hemel Hempstead

Rushcliffe  
 Dover  
 Tonbridge  
 Walthamstow East  
 Cleveland  
 Waterloo  
 Peterborough  
 Southend-on-Sea  
 Renfrew East  
 St. George's  
 Bournemouth  
 St. Marylebone  
 Belfast East  
 Henley  
 Abingdon  
 Burton  
 Altrincham  
 Drake  
 Bath  
 Monmouth  
 Brecon and Radnor  
 Chelsea  
 Reading  
 Derbyshire West  
 Fareham

HON. HAROLD NICOLSON  
 RT. HON. SIR HUGH O'NEILL  
 LORD WILLIAM SCOTT  
 RT. HON. OLIVER STANLEY  
 HON. J. J. STOURTON  
 HON. JAMES STUART  
 VISCOUNTESS DAVIDSON

### *Sons-in-Law of Peers*

R. ASHETON  
 MAJ. HON. J. J. ASTOR  
 SIR ADRIAN BAILLE  
 SIR BROGRAVE BEAUCHAMP  
 COMMANDER R. T. BOWLER  
 CAPT. MALCOLM BULLOCK  
 LORD BURGHEY  
 HENRY CHANNON  
 MARQUESS OF CLYDESDALE  
 RT. HON. A. DUFF COOPER  
 SIR HENRY PAGE CROFT  
 CAPT. A. S. CUNNINGHAM REID  
 CAPT. RT. HON. H. DIXON  
 SIR GIFFORD FOX  
 MAJ. SIR RALPH GLYN  
 COL. RT. HON. JOHN GRETTON  
 SIR EDWARD GRIGG  
 COL. HON. HENRY GUEST  
 LOEL GUINNESS  
 MAJ. J. A. HERBERT  
 HON. IVOR GUEST  
 RT. HON. SIR SAMUEL HOARE  
 DR. A. B. HOWITT  
 HENRY HUNLOKE  
 RT. HON. SIR THOMAS INSKIP

1st Baron Carnock, cr. 1916  
 2nd Baron O'Neill, cr. 1868  
 7th Duke of Buccleuch, cr. 1663  
 17th Earl of Derby, cr. 1485  
 24th Baron Mowbray, cr. 1283  
 17th Earl of Moray, cr. 1661  
 also :  
 1st Baron Dickinson, cr. 1930

6th Baron Hotham, cr. 1797  
 4th Earl of Minto, cr. 1813  
 1st Baron Queenborough, cr. 1918  
 5th Earl of Carnarvon, cr. 1793  
 1st Baron Strickland, cr. 1928  
 17th Earl of Derby, cr. 1485  
 7th Duke of Buccleuch, cr. 1663  
 2nd Earl of Iveagh, cr. 1919  
 8th Duke of Northumberland, cr. 1766  
 8th Duke of Rutland, cr. 1703  
 1st Baron Borwick, cr. 1922  
 1st Baron Mount Temple, cr. 1932  
 5th Baron Clannorris, cr. 1800  
 1st Baron Elmsley, cr. 1934  
 2nd Baron Derwent, cr. 1881  
 4th Baron Ventry, cr. 1800  
 1st Baron Islington, cr. 1910  
 8th Viscount Cobham, cr. 1718  
 9th Duke of Rutland, cr. 1703  
 6th Earl of Ilchester, cr. 1756  
 6th Earl of Ilchester, cr. 1756  
 6th Earl Beauchamp, cr. 1815  
 1st Baron Marchamley, cr. 1908  
 9th Duke of Devonshire, cr. 1694  
 7th Earl of Glasgow, cr. 1703

<sup>1</sup> Relationships resulting from marriages since the beginning of 1938 have not been included in all cases.

*Sons-in-Law of Peers—(continued)**Peer.**House of Lords.*

- 10th Earl of Drogheda, cr. 1661  
 12th Earl Dundonald, cr. 1669  
 9th Duke of Devonshire, cr. 1694  
 3rd Baron Chesham, cr. 1858  
 27th Earl of Crawford, cr. 1398  
 3rd Baron Sackville, cr. 1876  
 3rd Earl of Lovelace, cr. 1838  
 7th Earl of Essex, cr. 1661  
 1st Baron Hunsdon, cr. 1923  
 14th Viscount Gormanston, cr. 1478  
 13th Earl of Home, cr. 1604  
 7th Marquess of Londonderry, cr. 1816  
 9th Duke of Devonshire, cr. 1694  
 1st Baron Swansea, cr. 1893  
 8th Earl de la Warr, cr. 1917  
 2nd Viscount Astor, cr. 1917  
 2nd Baron Nunburnholme, cr. 1906

*M.P.**House of Commons.*

- SIR PAUL LATHAM  
 CAPT. P. D. MACDONALD  
 HAROLD MACMILLAN  
 SIR M. MANNINGHAM-BULLER  
 GODFREY NICHOLSON  
 HON. HAROLD NICOLSON  
 MARK PATRICK  
 CAPT. OSBERT PEAKE  
 COL. O. E. PONSONBY  
 CAPT. A. H. M. RAMSAY  
 LORD WILLIAM SCOTT  
 RT. HON. OLIVER STANLEY  
 HON. JAMES STUART  
 RT. HON. G. C. TRYON  
 • CAPT. D. EVAN WALLACE<sup>1</sup>  
 LORD WILLOUGHBY DE ERSBY  
 RT. HON. EARL WINTERTON

*Constituency.*

- Scarborough and Whitby  
 Isle of Wight  
 Stockton-on-Tees  
 Northampton  
 Farnham  
 Leicester West  
 Tavistock  
 Leeds North  
 Sevenoaks  
 Peebles and Southern  
 Roxburgh and Selkirk  
 Westmorland  
 Moray and Nairn  
 Brighton  
 Horsey  
 Rutland and Stamford  
 Horsham and Worthing

*Blood Relations of Peers*

- 2nd Earl Jellicoe, cr. 1925  
 2nd Earl Jellicoe, cr. 1925  
 7th Duke of Marlborough, cr. 1702  
 1st Duke of Eife, cr. 1899  
 7th Baron Ellenborough, cr. 1802  
 3rd Baron Denman, cr. 1834  
 8th Duke of Argyll, cr. 1701  
 1st Baron Cottesloe, cr. 1874  
 1st Viscount Furness, cr. 1918  
 8th Duke of Argyll, cr. 1701  
 2nd Earl Verulam, cr. 1815  
 Baron Hambro

- cousin of*  
*nephew of*  
*grandfather of*  
*uncle of*  
*cousin of*  
*brother of*  
*grandfather of*  
*cousin of father of*  
*grandfather of*  
*grandfather of*  
*grandfather of*
- SIR CHARLES CAYZER  
 SIR HERBERT CAYZER  
 RT. HON. WINSTON CHURCHILL  
 RT. HON. A. DUFF COOPER  
 J. F. E. CROWDER  
 HON. R. D. DENMAN  
 CHARLES EMMOTT  
 SIR FRANCIS FREEMANTLE  
 STEPHEN FURNESS  
 MAJOR SIR RALPH GLYN  
 R. V. GRIMSTON  
 CAPT. ANGUS HAMBR0

- City of Chester  
 Portsmouth South  
 Epping  
 St. George's  
 Finchley  
 Leeds Central  
 Surrey East  
 St. Albans  
 Sunderland  
 Abingdon  
 Westbury  
 Dorset North

4th Earl of Donoughmore, cr. 1800	<i>grandfather of</i>	M. R. HEILY HUTCHINSON	Hastings
11th Marquess of Lothian, cr. 1701	<i>second cousin of</i>	LT.-COL. C. I. KERR	Monterose
2nd Earl of Leicester, cr. 1837	<i>grandfather of</i>	SIR M. MANINGHAM-BULLER	Northampton
8th Earl of Buckinghamshire, cr. 1746	<i>cousin of</i>	CAPT. RT. HON. H. D. R. MARGESSON	Rugby
The Baron Ruthven, cr. 1651	<i>grandfather of</i>	IAN L. ORR-EWING	Weston-super-Mare
2nd Baron de Mauley, cr. 1838	<i>grandfather of</i>	COL. C. E. PONSOMBY	Sevenoaks
4th Baron Dimsdale, cr. 1769	<i>great-grandfather of</i>	H. V. A. M. RAIKES	Essex South-east
14th Earl of Dalhousie, cr. 1633	<i>second cousin of</i>	CAPT. A. H. M. RAMSAY	Peebles and Southern
Baron Gustave de Rothschild	<i>grandfather of</i>	RT. HON. SIR PHILIP SASOON	Hythe
2nd Earl of Ancaster, cr. 1892	<i>cousin of</i>	RT. HON. G. C. TRYON	Brighton
9th Earl of Shaftesbury, cr. 1672	<i>uncle of</i>	SIR VICTOR WARRENDEB	Grantham
19th Baron Clinton, cr. 1298	<i>grandfather of</i>	LT.-COL. G. WINDSOR OLIVE	Ludlow

1st Viscount Greenwood, cr. 1937	<i>sister wife of</i>	RT. HON. L. S. AMERY	Sparkbrook
4th Baron Stratheden, cr. 1836	<i>wife sister of</i>	W. J. ANSTROTHER-GRAY	Lanark North
2nd Viscount Astor, cr. 1917	<i>husband of</i>	VISCOUNTESS ASTOR	Sutton
8th Duke of Atholl, cr. 1703	<i>husband of</i>	DUCHESS OF ATHOLL	Kinross and West Perth
10th Duke of Devonshire, cr. 1694	<i>cousin wife of</i>	ROBERT BOOTHBY <sup>1</sup>	Aberdeen East
Marquess Curzon of Kedleston, cr. 1921	<i>niece wife of</i>	R. A. CARY	Eccles
1st Baron Glenconner, cr. 1911	<i>half-sister wife of</i>	CAPT. T. DUGDALE	Richmond, Yorks.
Marquess Curzon of Kedleston, cr. 1921	<i>wife mother of</i>	H. J. DUGGAN	Acton
1st Baron Glenconner, cr. 1911	<i>half-sister wife of</i>	RT. HON. WALTER ELLIOT	Kelvingrove
2nd Viscount Younger, cr. 1923	<i>wife sister of</i>	RT. HON. SIR JOHN GILMOUR	Pollok
3rd Baron Greville, cr. 1869	<i>wife mother of</i>	H. W. KERR	Oldham
9th Earl of Hardwicke, cr. 1754	<i>wife sister-in-law of</i>	CAPT. J. H. F. McEWEEN	Berwick and Haddington

*Relations by Marriage with Peers*  
(Other than sons, sons-in-law, or blood relations.)

<sup>1</sup> Marriage dissolved 1919.

<sup>2</sup> Marriage dissolved 1937.

500 men and murdered the Beattisons, men, women, and children. Eskdale he then appropriated to himself.

"The Lay of the Last Minstrel" describes Branxsholme Hall, a nest of robbers, and how the Deloraine lands, joined to those of Buccleuch in Ettrick Forest, were taken over by the Buccleuchs under the title of occupancy.

In Elizabeth's reign the Scott of that time carried on his robber forays when the two countries were at peace, rescued one of his cut-throats from Carlisle Jail, and was sent to England as a hostage by James, who subsequently converted the bandit into an Earl.<sup>1</sup> The wealth of the Buccleuch family was founded in the fifteenth and sixteenth centuries by the robbery and cattle-thieving for which the old borderers were famous.

A large part of the estates at present owned by the family are derived from fortunate marriage alliances two centuries ago. The English possessions came mostly from an heiress of the last Duke of Montagu, whose estates were confiscated ecclesiastical property and Crown grants. The Scottish estates are also due to fortunate marriages, to the Duke of Monmouth, one of Charles II's bastards, and to the heiress of the Duke of Queensberry, from whom were derived the immense estates in Dumfriesshire.

These estates acquired by the family over 200 years ago have been the source of the family's power through the whole intervening period.

The family of the Duke of Buccleuch has not in any way lost its power in modern times. The present Duke himself holds a number of important positions. He has been Lord Steward of His Majesty's Household since 1937 and is Lord Lieutenant of the county of Roxburgh and Deputy-Lieutenant for the counties of Selkirk and Dumfriesshire.

Of significance to-day are the industrial connections of this family. We have shown the key importance in British finance of the main-line railways, the banks, and the insurance companies. Lord Henry Scott, son of the 6th Duke and uncle of the present Duke, is Deputy-Governor of the Bank of Scotland, and Chairman of the Life Association of Scotland. Lord Herbert Scott, his brother, is a director of the Sun Insurance Office and the Sun Life Assurance Society, the latter one of the biggest insurance companies in Britain. Lord Burghley, brother-in-law

<sup>1</sup> Howard Evans, *op. cit.*

of the present Duke, and Conservative M.P. for Peterborough, is a director of the L.N.E.R. and the National Provincial Bank, and Chairman of the London board of the London and Lancashire Insurance Company.

The family has also allied itself with more modern industry. Lord Herbert Scott, for example, is Chairman of the world-famous firm of Rolls-Royce and a director of Tilbury Contracting and Dredging Company, United Glass Bottle Manufacturers, and the Westinghouse Brake and Signal Company. Lord Burghley is a director of the Firestone Tyre and Rubber Company and of the Army and Navy Stores.

We have shown above the great importance of employers' organisations which are the executive centre of British industry, and of Chambers of Commerce, which are to a large extent the local equivalents. Lord Herbert Scott is Vice-President of the Association of British Chambers of Commerce, one of the most important employers' organisations in the country, and a member of the Council of the Corporation of Foreign Bondholders; in addition, he was a member of the Advisory Council of the Board of Trade from 1934 to 1937, President of the London Chamber of Commerce, 1928-31, and President of the F.B.I. from 1934 to 1935.

This industrial power is reflected in the political power of the Scott family. Present M.P.s are Lord Burghley, Conservative M.P. for Peterborough, and Lord William Scott, Conservative M.P. for Roxburgh and Selkirk. There are many ex-M.P.s in the family. The present Duke was M.P. between 1923 and 1935; his father was M.P. between 1895 and 1906, and his grandfather in the periods 1853-68 and 1874-80. They all held seats for Scottish constituencies.

The Scotts are well-known Conservative hosts :

" But instead of resting during the week-end to recover from all this gaiety the wife of the Prime Minister accompanied her husband up to Kettering, where they were the guests of the Duke and Duchess of Buccleuch at Boughton House. This was a ' Conservative ' party, and Mr. Chamberlain spoke at a fête in the grounds on Saturday night. Lord Burghley, whose wife is the Duke of Buccleuch's third sister, Lady Hillingdon, Lord and Lady Brassey, Lord and Lady William Scott—all these were in the house-party,

which was, as are all the Duchess's home entertainments, a very great success indeed." <sup>1</sup>

The Scotts are connected by marriage in this generation and the last with the Dukes of Gloucester, Rutland, and Abercorn; the Marquess of Exeter; the Earls of Home, Bradford, and Minto; Viscount Hampden; and Baron Delamere.

The picture given above of the Montagu-Douglas-Scotts shows clearly enough the tremendous financial and political connections which may still be held by an old family. We intend now to consider two other famous aristocratic families in some detail. Both of them are prominent in the Cousinhood. The family of the Dukes of Devonshire, whose name is Cavendish, illustrates again the power which comes from the possession of land :

" The history of the family of the Cavendishes is not great in our national life. They have always had a peculiar affinity to the church, to the land and to great mansions. A family that owns 198,322 acres in 14 counties and has the patronage of 42 livings and 7 manorial seats, and is the chief landlord of two towns, can hardly be expected to take much interest in the people. . . . He is, in fact, a great trades union leader of the landlords." <sup>2</sup>

The Cavendishes are above all a political family. They have retained the strong representation in both the Lords and the Commons which they had before the Reform Bill; and indeed at the present time the number of their relations in the House of Commons is exceptional even among Peers.

By the end of the last century they held five peerages and 220,385 acres of land in England and Ireland, with a total annual rent-roll of £172,099. The Duke of Devonshire owned at this time land in 14 different counties—Derbyshire, Yorkshire, Lancashire, Sussex, Somerset, Lincolnshire, Cumberland, Middlesex, Nottinghamshire, Cheshire, Staffordshire, Cork, Waterford, and Tipperary. He also held the patronage of 42 church livings, 23 of which were vicarages, and whose united annual value was considerably over £10,000. He possessed seven seats—Chatsworth, Hardwick, Holker, Compton Place,

<sup>1</sup> "The Queen", July 7th, 1938.

<sup>2</sup> *Westminster Review*, Vol. CXXVIII, 1887. Quoted by Christie.

Lismore Castle, the famous Bolton Abbey, Yorkshire, and Devonshire House, Piccadilly. At the same time, Lord Waterpark, a Cavendish, owned 8,550 acres in Derbyshire and Tipperary; Lord Chesham, a Cavendish, owned 11,486 acres distributed over half a dozen counties; while the Hon. Richard Cavendish owned 7,027 acres in Buckinghamshire, Staffordshire, and Derbyshire. The Duke of Devonshire now "owns about 186,000 acres".<sup>1</sup>

The story of the acquisition of this enormous area of land and the part played by the Cavendish family since the early fourteenth century in governing England is interesting enough to be told in some detail. Burke's "Peerage" says: "The noble family of Cavendish, of which in the eighteenth century two branches attained dukedoms, laid the foundations of its greatness originally on the share of Abbey lands obtained, at the dissolution of the monasteries, by Sir William Cavendish, who had been gentleman usher to Cardinal Wolsey, and died in 1557; and subsequently by the abilities and the good fortune of Elizabeth, his widow, who married George, Earl of Shrewsbury, and died in 1607 . . . but though thence arose the exalted rank and extensive possessions enjoyed at present by the Cavendishes, be it not supposed that their remote ancestors were obscure. . . . It is clearly ascertained that SIR JOHN CAVENDISH . . . was Chief Justice of the Court of King's Bench in 1366. . . . In the fifth year of Richard II's reign he was commissioned, with Robert de Hales, treasurer of England, to suppress the insurrection raised in the city of York, in which year the mob, having risen to the number of 50,000, made it a point, particularly in the county of Suffolk, to plunder and murder the lawyers; and, being incensed in a more than ordinary degree against the Chief Justice Cavendish",<sup>2</sup> he was dragged in to the market place of Bury and there beheaded. His son John, however, who "shared with Walworth the honour of killing Wat Tyler",<sup>3</sup> was knighted in Smithfield, and had a grant of £40 per annum from the King for this service.

The insurrection of 1381 has been described as, apart from the Great Rebellion, the greatest rising in English history. Dr. Kriehn, in "The English Rising in 1450", says:

<sup>1</sup> "Who's Who", 1938.

<sup>2</sup> Burke's "Peerage".

<sup>3</sup> Burke's "Rise of Great Families".



## 7th DUKE OF DEVONSHIRE

8th Duke of  
DEVONSHIRE,  
**M.P.**  
N. Lanes., etc.,  
1837, for 34 years.  
**CABINET MINISTER**  
for 18 years.

Lord Frederick  
CAVENDISH,  
**M.P.**  
N.W. Riding,  
Yorks., from  
1865 for 17  
years.

Lord Edward  
CAVENDISH,  
**M.P.**  
W. Derbyshire,  
etc., 1865 for  
13 years.

— Emma, daughter  
of Rt. Hon.  
W. S. Lascelles,  
**M.P.**  
Wakefield, etc.,  
1820 for 26 years.

9th Duke of  
DEVONSHIRE,  
**M.P.**  
W. Derbyshire,  
from 1891 for 17 years.  
**CABINET MINISTER**  
for 2 years.  
Governor-General of  
Canada for 5 years.

— Lady Evelyn Fitzmaurice,  
daughter of the  
5th Marquess of  
LANSDOWNE.  
**CABINET MINISTER**  
for 11 years,  
including 1915-16.  
Viceroy of India  
for 6 years.

Lord Richard  
CAVENDISH,  
**M.P.**  
Lonsdale,  
Lancs., from  
1895 for 11  
years.

— Lady Moyra de Vere  
Beaucerk, daughter  
of the 10th Duke  
of ST. ALBANS.

Duke of  
DEVONSHIRE  
**M.P.**  
W. Derbyshire,  
1923-38.

— Lady Mary Cecil,  
daughter of the Marquess  
of SALISBURY,  
**M.P.**  
Darwen, Lancs., etc.,  
from 1885 for 18 years.  
**CABINET MINISTER**  
1903-5, 1922-9.  
Leader of the House of  
Lords, 1925-31.

Lord  
Charles  
CAVENDISH

— Adèle  
Astaire

Lady Maud  
(widow of  
Captain  
Mackintosh,  
only son  
of The  
Mackintosh  
of  
Mackintosh).

— Hon.  
G. R. M.  
Ballie,  
heir of  
Baroness  
BURTON.

Lady  
Anne

— HENEY HUNLOKE,  
**M.P.**  
W. Derbyshire,  
since 1938.

Lady  
Rachel

— HON. JAMES STUART,  
**M.P.**  
Moray and Nairn  
since 1923.  
Son of the 7th  
Earl of MORAY.

Lady  
Dorothy

— HAROLD MACMILLAN,  
**M.P.**  
Stockton-on-Tees,  
1924-9 and since  
1931.

Diana = ROBERT BOOTHBY,\*  
**M.P.**  
East Aberdeenshire  
since 1924.

Mary = LORD BALNIEL,  
**M.P.**  
Lonsdale, Lancs.,  
since 1924.  
Heir of the Earl of  
GRAWFORD AND  
BALCARRES,  
**M.P.**

\* *Marriage dissolved, 1937.*

Chorley, Lancs.,  
from 1895 for 18 years.  
**CABINET MINISTER**  
1916-22.

Elizabeth = VISCOUNT GRANBORNE  
**M.P.**  
South Dorset  
since 1923.  
Heir of the Marquess of  
SALISBURY  
(see wife of the Duke  
of Devonshire  
above).

## DEVONSHIRE

186,000 acres.

“Cavendo Tutus.”

Chatsworth House,  
Hardwick Hall,  
Derbyshire.  
Bolton Abbey,  
Yorkshire.  
Compton Place,  
Eastbourne.  
Lismore Castle,  
Waterford.

## The Cavendisbes and Parliament

*Note.*—Past M.P.s. and Cabinet Ministers are in italics, present in roman.



"1381 was an outbreak of the lower classes against the upper. Not only the nobility, but the higher clergy, the gentry, the civic aristocracy and upper middle class were oppressors; all those who sat in Parliament, who ruled the land. The villeins and small freeholders were arrayed against the landlords, who held them down; the poorer artisans against the rich burghers. Class was arrayed against class. It was the first great conflict between labour and capital in England. It was a social strife. The bondsman demanded to be free for ever, that oppressive laws cease to molest him. It was a class rising."<sup>1</sup>

Despite the murder of Wat Tyler, their great leader, and the apparent collapse of the insurrection, "the rising had emphasised as never before the fact that the masses had come to recognise their combined power".<sup>1</sup>

While the Chief Justice and his son John were doing their best to suppress this great insurrection of the common people which spread all over the east and south of England, Andrew, another son of the Chief Justice, was the first recorded Cavendish M.P.—for the county of Suffolk.

Sir William Cavendish, mentioned by Burke above, was "the great-great-grandson of John who killed Wat Tyler. Being from Suffolk, William Cavendish had the good fortune to obtain an introduction to a very eminent Suffolk man, Cardinal Wolsey; and after Wolsey's fall, he was much in favour with Henry VIII, who employed him in the suppression of monasteries and bestowed on him considerable monastic estates".<sup>2</sup> In the year 1540 he received a grant of the lordships and manors of Northawe, Childewicke, and Cuffley in Hertfordshire—all monastic property. A profitable business was also done in exchanges. Cavendish exchanged the manor of Northawberry (Lincoln), Northawe (Herts), the site of Cardigan Priory, and lands in Cornwall and other counties; all of which had been acquired by him during his tenure of various offices of the Crown, in exchange for an extensive grant from the Crown of "divers lands belonging to abbeys and priories in Derbyshire, Nottinghamshire, Staffordshire, Dorset, Cornwall, Kent and Essex".<sup>3</sup>

<sup>1</sup> Quoted from "Nine Days that Shook England", by H. Fagan.

<sup>2</sup> Burke's "Rise of Great Families"

<sup>3</sup> Evans, *op. cit.*

The fortunes of the family were greatly extended by the third wife of William Cavendish, Bess of Hardwicke, a Derbyshire widow who had persuaded her first husband and her brother to leave her all their property. This woman, who had a family by Cavendish, robbed the estate of her third and fourth husbands in order to enrich the Cavendish children. She was a great constructor of houses, and built the former Chatsworth House, Oldcotes, and Hardwick Hall.

The second son of Bess of Hardwicke became first Earl of Devonshire, while another son was the first of many Cavendish M.P.s for the county of Derby. The family of the third son obtained the title of Duke of Newcastle, from whom descend the Dukes of Portland. Mary, a daughter, married the 7th Earl of Shrewsbury, from whom descend the Dukes of Norfolk.

Even at this very early stage the Cavendishes were not lacking in connections with the House of Commons. The 4th Earl became the 1st Duke of Devonshire. He was Lord Steward of the Household and had two sons in the House of Commons. The 2nd Duke had two sons and a son-in-law in the House. The 3rd Duke was Lord Lieutenant of Ireland, and his daughter married the Speaker of the Irish House of Commons, while a son was Chancellor of the Exchequer. The 4th Duke was Lord Lieutenant of Ireland, First Lord of the Treasury, and fifth Prime Minister of England, if we consider Robert Walpole the first. He married one of the richest heiresses of the time, who had inherited the estates of the Cliffords and the Boyles, most of which came from confiscation of Church lands under Henry VIII; these estates included Lismore Castle in Ireland.

Sons and nephews maintained these political connections during the late eighteenth and early nineteenth centuries. The 8th Duke of Devonshire, great-uncle of the present Duke, was himself an M.P. for 34 years, while he had two brothers in the House of Commons. The 9th Duke, who died in May 1938, was M.P. from 1891 to 1908, Governor-General of Canada, Civil Lord of the Admiralty and Secretary of State for the Colonies. Meanwhile, his brother, the present Lord Richard Cavendish, was in the House from 1895 to 1906. The present Duke, the 10th, also sat in the House of Commons, as Conservative M.P. for West Derby, from 1923 to 1938, when he succeeded to the Dukedom. He is now Parliamentary Under-Secretary of State

for the Dominions. He was succeeded in his constituency by his brother-in-law, Mr. Henry Hunloke. We can offer no better comment than the following, from the *Tatler* :

"Son Henry is standing for the Derbyshire division, represented by the Duke of Devonshire when he was Lord Hartington—a happy family arrangement as Lady Anne Hunloke is the new Duke's youngest, most decorative, sister. She and her film-faced husband had a distinct success in Pebble Beach, Cal., Palm Beach, Fla., and El Morocco, N.Y., earlier this year." June 1st, 1938.<sup>1</sup>

The 10th Duke has now three brothers-in-law in the House, Harold Macmillan, Conservative M.P. for Stockton on Tees, the Hon. James Stuart, Lord of the Treasury, Conservative M.P. for Moray and Nairn, and Henry Hunloke. The present Duke's three first cousins, Elizabeth, Mary, and Diana are all married to members of the House of Commons—Viscount Cranborne, Lord Balniel, and Robert Boothby<sup>2</sup> respectively. The present Duke can possibly claim a representation in the House as great as any of his ancestors.

The father of these three sisters and uncle of the present Duke, Lord Richard Cavendish, ex-M.P., is a director of the Royal Exchange Assurance Company and of the Westminster Bank. The present Duke's sister married Major the Hon. G. E. M. Baillie, director of Bass, Ratcliff & Gretton, and Worthington & Company, and son of Baroness Burton, née Bass.

The Cavendishes have had throughout their history a remarkable influence on governing circles and on the House of Commons. The earliest date on which a Cavendish was an M.P. was comparatively soon after the House of Commons became separated from the Council, in the fourteenth century. During the whole intervening period they have remained one of the leading political families in the country in spite of the democratic franchise begun in 1832. The family tree on page 138 is simplified to show clearly the political connections of the Cavendish family in recent times. The family motto of the Dukes of Devonshire is "Cavendo Tutus". It is not

<sup>1</sup> There are, of course, many examples of "happy family arrangements", for instance, Mr. Henry Channon, M.P., was elected in 1935 for Southend-on-Sea, which was previously represented (1927-35), by his mother-in-law, Lady Gwendolen Onslow, Countess Iveagh.

<sup>2</sup> Marriage dissolved, 1937.

inappropriate; it can be freely translated as "Safe by being cautious".

The family of the Earl of Derby plays an equally important part in Tory politics. It is a *governing* family, and illustrates well the history of those noble families who made a great deal of money out of land speculations following the new needs of the Industrial Revolution. The present Earl of Derby is the 17th Earl. His relations in the House of Commons included until October 1938 two Cabinet Ministers. The late Rt. Hon. Lord Stanley, who was Conservative M.P. for Fylde, was Secretary of State for the Dominions until his death; while the Rt. Hon. Oliver Stanley (Conservative M.P. for Westmorland) is President of the Board of Trade. A grandson-in-law, the Hon. Charles Wood (son and heir of Viscount Halifax) is Conservative M.P. for York. A son-in-law, Captain Malcolm Bullock, is Conservative M.P. for Waterloo, Lancs.

Among the many ex-M.P.s in this family is the Hon. Sir Arthur Stanley, brother of the present Lord Derby, who was an M.P. from 1898 to 1918. He is now director of British Match Corporation, and a subsidiary, Bryant & Mays, Westminster Bank, Ltd., Buenos Aires Pacific Railway Company, and two subsidiaries, (Chairman), Lancashire United Transport & Power Company. Sir Arthur Stanley is an important name in British finance.

The Earl of Derby is the second Earl of the United Kingdom in order of precedence. At the end of the last century he owned the following acres of land in the counties shown: Lancashire, 57,000; Cheshire, 9,500; Flint, 92; Kent, 950; Surrey, 1,400.<sup>1</sup> This makes a total of 68,942 acres, and its annual rent-roll at that time was estimated at £163,273. This, however, is probably a great under-estimation, as the Earl of Derby owned about one-eighth of the great county of Lancashire, and this land is situated in the southern part of the county, which at that time was one of the richest parts.

The Stanley family owe their early estates to the sagacity of their ancestors, who showed a remarkable faculty for discerning the winning side in every dispute. The first great Stanley, Sir John, was a Lord Deputy of Ireland under Richard II, but, foreseeing Richard's downfall, he joined the forces of Henry of Bolingbroke, who afterwards became Henry

<sup>1</sup> John Bateman, "Great Landowners of Great Britain", 1879 edition.

# 13th EARL OF DERBY

14th EARL OF DERBY,  
**M.P.**  
 N. Lancs., etc.,  
 1821-44.  
**CABINET MINISTER**  
 1. Colonies.  
 2. Prime Minister, 1852,  
 1858, 1866.

Henry Thomas  
 STANLEY,  
**M.P.**  
 Preston, Lancs.,  
 1832-7.

15th EARL OF  
 DERBY,  
**M.P.**  
 Lynn Regis,  
 1848-69.  
**CABINET MINISTER**  
 1. Colonies.  
 2. India.  
 3. Foreign Affairs.

16th EARL OF  
 DERBY,  
**M.P.**  
 Preston, N. Lancs.,  
 Blackpool, 1865-86.  
**CABINET MINISTER**  
 1. War.  
 2. Colonies.  
 3. Board of Trade.

EARL OF DERBY,  
**M.P.**  
 West Houghton, Lancs.,  
 1892-1906.  
**CABINET MINISTER**  
 War, 1916-18, 1922-4.  
 Director-General of Recruiting,  
 1915-16.  
 President of Army Council,  
 1916-18 and 1922.

Sir Victor  
 STANLEY,  
 Admiral, R.N.  
 (ret.).

Sir Arthur  
 STANLEY,  
**M.P.**  
 Ormskirk, Lancs.,  
 1898-1918  
 Diplomatic Service.

Brig.-Gen.  
 Ferdinand  
 STANLEY.

=  
 Hon. Alexandra  
 Fellowes, daughter  
 of 2nd Baron  
 DE RAMSEY,  
**M.P.**  
 Hunts,  
 1880-87.

Lady Isobel  
 STANLEY.  
 = Sir John Gathorne-Hardy,  
 Brigadier-General on  
 General Staff, 1916-18,  
 Son of the 2nd Earl of  
 GRANBROOK,  
**M.P.**  
 1868-80, 1884-92.

Lt.-Col. Rt. Hon. Sir George STANLEY,  
**M.P.**  
 Preston, Lancs., 1910-22;  
 Wilkesden East, 1924-9.  
 Viceroy of India, 1934.  
 P.P.S. to Secretary of State for War  
 1916-17.

Lord Edward  
 STANLEY,  
**M.P.**  
 Fylde, Lancs.,  
 1917-18;  
 1922-38.  
**CABINET MINISTER**  
 Dominions, 1938.  
 Deputy-Chairman Con-  
 servative Party,  
 1927-9.

Rt. Hon. Oliver  
 STANLEY,  
**M.P.**  
 Westmorland,  
 since 1924.  
**CABINET MINISTER**  
 1. Transport, 1933-4.  
 2. Labour, 1934-5.  
 3. Education, 1935-7.  
 4. Board of Trade, 1937.

= Lady Maureen Stewart,  
 daughter of Marquess  
 of LONDONDERRY,  
**M.P.**  
 Maidstone,  
 1906-15.  
**CABINET MINISTER**  
 1. Air, 1931-5.  
 2. Privy Seal, 1935  
 Leader of House of  
 Lords, 1935.

Lady Victoria  
 STANLEY.  
 = (i) Capt. the Rt. Hon.  
 Nell Primrose,  
**M.P.**  
 N. Cambs.,  
 1910-17.  
 (ii) Capt. Malcolm  
 Bullock,  
**M.P.**  
 Waterloo, Lancs.,  
 since 1923.

Ruth Primrose = Hon. Charles Wood,  
**M.P.**  
 York  
 since 1937  
 Son and heir of  
 Viscount HALIFAX,  
**M.P.**  
 Ripon, Yorks.,  
 1910-26.

**CABINET MINISTER**  
 1. Education, 1922-4 and  
 1932-5.  
 2. Agriculture, 1924-5.  
 3. War, 1935.  
 4. Privy Seal, 1935-7.  
 5. Lord President, 1937-8.  
 6. Foreign Affairs since 1938,  
 Viceroy of India, 1926-31.

## Stanleys in Cabinet and Commons

*Note.*—*Past* M.P.s and Cabinet Ministers are in italics, *present* in roman.

IV. For this piece of foresight he was well rewarded, both with lucrative offices and with lands.

At the fall of the Lancastrian dynasty, the Stanleys were again on the winning side, and were rewarded by Edward IV with large estates. It was a Stanley who was Steward of the Household to Richard III, and was commissioned by that King to raise forces to oppose Henry Tudor as soon as he should land; but he nevertheless turned against Richard at the critical moment, and tradition says that after the Battle of Bosworth he set the crown upon Henry's head. As a result of this astuteness, Baron Stanley received a large proportion of the confiscated lands of the Yorkists in the North—the estates of at least twenty-eight gentlemen, and was created Earl of Derby. The 3rd Earl was Commissioner for the Advancement of the Reformation under Edward VI. He delivered Protestants to be burned at the stake under Mary, and hunted Catholics to the death under Elizabeth. The family motto is "Sans Changer".

During the Great Rebellion, the 7th Earl, although he had begun as a "Puritan", later joined Prince Rupert, whom he assisted in a wholesale massacre of the townspeople of Bolton. Here, however, the famous foresight of the Stanleys was lacking; and he was beheaded at Bolton itself in 1651, on the defeat of the Royalist cause. The Great Rebellion very much reduced the family estates.

The main fortunes of the Derby family as they are to-day were due to the industrialisation of Lancashire in the late eighteenth and early nineteenth centuries. It was on the increase in the value of land through the growth of the cotton industry that their main wealth was founded. Lancashire made the Stanleys.

An example is the town of Bury in Lancashire. This town was granted to the Stanleys after the Battle of Bosworth. In 1793 its population was less than 3,000; by 1831 it had grown to 15,000, by 1871 to 41,500. Bury, in fact, had grown tenfold in eighty years. At that time about half of the town belonged to the Stanleys, the rest being owned by the rectory, which was a Stanley family living. In 1710 the Earl of Derby purchased the estates of the Moores of Bank Hall, in Liverpool, Bootle and Kirkdale for £12,000. By 1843 1,000 yards of frontage on the river in the town of Kirkdale was sold by Lord Derby to



dock trustees, who had to pay £17,500. In 1847 another piece of frontage, of about 60 acres, was bought from Lord Derby for £90,000. Even after this, the major parts of these estates, which had originally cost only £12,000, were still intact:

"In 1924 Lord Derby disposed of his land in Colne. Next year he sold almost all his estates at Bury, Radcliffe, Whitefield, Manchester, and Salford for a sum reported to be nearly £1,000,000, while in 1927 he made over to a London financier for £1,750,000 the freehold ground rents secured on about 22,000 houses in Liverpool, Bootle, Kirkdale, and Walton. The family had owned practically the whole of Bootle." <sup>1</sup>

The Earl of Derby needs money for his expensive hobby, racing:

"He once said that each horse he keeps in training costs him £650 a year, and at a conservative estimate his outlay on his racing stable must be between £25,000 and £30,000 a year. In addition, his annual outlay on his studs must amount to about £20,000 though he probably nets a small annual profit from this source." <sup>2</sup>

His eldest son, Lord Stanley, who was Secretary of State for the Dominions until he died, left £2,209,863.<sup>3</sup>

The present Earl, the 17th, has been a leading Tory politician; he was Conservative M.P. for West Houghton, Lancashire, in the period 1892-1906. He held during and after the War a number of extremely important posts, including Director-General of Recruiting—1915-16, Under-Secretary of State for War—1916, and Secretary of State for War and President of the Army Council—1916-18. From 1918 to 1920 he was Ambassador to France, and again Secretary of State for War 1922-4.

The recent history of the Derby family is well illustrated by the chart on page 144, which shows particularly the past and present M.P.s and Cabinet Ministers.

The Scotts, the Cavendishes, and the Stanleys are three of the leading Tory families in the history of the last hundred years. They are families whose power and influence have always depended upon great possessions. Their great possessions

<sup>1</sup> International Biography Service; see also *The Times*, May 28th, 1925, and November 19th, 1927.

<sup>2</sup> *Evening Standard*, April 29th, 1938.

<sup>3</sup> *Evening Standard*, March 20th, 1939.

have not depended primarily on the business ability of the head of the family, but on the inheritance of great estates from the distant past. The landed possessions acquired by these families two and three hundred years ago have enabled their descendants to command an ever-increasing income over many generations. They have still to-day a greater influence on the course of politics than tens of thousands of electors together.

These important political families are closely related to others little less famous, who also have members in the House of Commons. The family tree of the Stanleys shows some of these relations.

A family connection of the Stanleys is Lord Londonderry. The Rt. Hon. Oliver Stanley, M.P., President of the Board of Trade, is son-in-law of the present Marquess of Londonderry and brother-in-law of Lord Castlereagh (Conservative M.P. for County Down).

Lord Londonderry is President of the Conservative Party organisation.<sup>1</sup> His is a family of great possessions in land and coal. In 1890 the Londonderrys owned 50,328 acres with an annual rent-roll of £100,118. The family also held 11,560 acres in Antrim, although it is not possible to ascertain how much of this land they still possess.

Their ancestors were Scottish landowners. In the reign of James I, being impoverished by extravagance, they received a large grant of forfeited estates in Ireland. Meanwhile a marriage with the daughter and heir of Sir Henry Vane-Tempest brought the family large estates in Durham and elsewhere. The family name is Vane-Tempest-Stewart.

The most famous member of the family was the Viscount Castlereagh, son of the 1st Marquess, who brought about the Act of Union between Great Britain and Ireland. Of him Shelley wrote :

“ I met Murder on the way,  
He had a mask like Castlereagh.”

He was returned as M.P. for County Down after an election which cost him £30,000 in bribery and vote-buying. He also used the most shameless bribery and corruption to procure the assent of the Irish House of Commons to the Act of Union. In one of his letters he speaks of “ the profligacy of the means by which the Union has been accomplished ”. Canning, then

<sup>1</sup> *The Times*, October 8th, 1937.

Foreign Secretary, also held him responsible for the disastrous expedition against Antwerp in which 40,000 soldiers were landed on the fever-stricken island of Walcheren and there lost their lives; this expedition cost £26,000,000 of public money.

Though he was not allowed to give England's consent to it, Viscount Castlereagh was known to be strongly sympathetic to the so-called "Holy Alliance", a league of the despotic rulers of Russia, Austria, and Prussia for mutual assistance in the suppression of democratic doctrines throughout Europe. Castlereagh, in common with these tyrants, feared the effects of the French Revolution and was the chief promoter of the hated Six Acts, the "Gagging Acts" by which the contemporary Tory Party tried to quash the demand for reform.

News of his suicide was received with wild delight by the people of London, and the crowd at his funeral outside Westminster Abbey cheered while the service was proceeding. Byron, who had attacked Castlereagh in many vigorous epigrams, wrote of his death :

" So Castlereagh has cut his throat ; the worst  
Of this is that his own was not the first."

Harriet Martineau wrote :

" There was abundant reason for the rejoicing which spread throughout the world on the death of Lord Londonderry. When a man's acts have proved him the enemy of his race, his race will not desire him to live that he should continue those acts. This man was the screw by which England had rivetted the chain of nations. The screw was drawn and the unmoveable despotism might now be overthrown."

The " Dictionary of National Biography " gives a similar picture of his brother, the 3rd Marquess :

". . . in England, as a conspicuous opponent of reform, he had incurred so much hostility that he was on one occasion mobbed and dragged off his horse. Always an uncompromising tory, he did not measure his words. . . ." <sup>1</sup>

It was calculated that he and his immediate relatives received a total of £11,100 a year in places and pensions.

The Durham estates of the Vane-Tempest-Stewarts grew

<sup>1</sup> " Dictionary of National Biography ", Vol. LIV, p. 280.

rapidly in value during the nineteenth century, mainly as a result of the exploitation of coal. Lord Londonderry is to-day the Chairman of Londonderry Collieries, Ltd., while his son, Viscount Castlereagh, M.P., is Assistant Managing Director of the same company, which has a capital of £1,370,000.

The Londonderrys during the nineteenth century made certain of protecting their interests as mine-owners by using to the full their great power in any disputes with their employees, and by regarding the inhabitants of any town where their money was invested as little more than their chattels. The Lord Londonderry of that time issued a manifesto in his dual capacity as mine-owner and Lord Lieutenant of Durham County, during the great strike of the miners in 1844 for fairer terms of hiring. He not only superintended, as Lord Lieutenant, the wholesale eviction of the strikers from their homes, and their supersession by Irishmen specially imported from his Irish estates, but peremptorily ordered the resident traders of Seaham not to supply provisions to the workmen on strike. His manifesto was reprinted in the *Northern Star* for July 27th, 1844. Part of it runs as follows :

“ Lord Londonderry again warns all the shopkeepers and tradesmen in his town of Seaham that if they still give credit to pitmen who hold off work, and continue in the Union, such men will be marked by his agents and overmen, and will never be employed in his collieries again, and the shopkeepers may be assured that they will never have any custom or dealings from Lord Londonderry’s large concerns that he can in any manner prevent.

“ Lord Londonderry further informs the traders and shopkeepers, that having by his measures increased very largely the last year’s trade to Seaham, and if credit is so improperly and so fatally given to his unreasonable pitmen, thereby prolonging the injurious strike, it is his firm determination to carry back all the outlay of his concerns even to Newcastle.

“ Because it is neither fair, just, nor equitable that the resident traders in his own town should combine and assist the infatuated workmen, and pitmen, in prolonging their own miseries by continuing an insane strike, and an unjust and senseless warfare against their proprietors and masters.” <sup>1</sup>

<sup>1</sup> Quoted in “ History of Trade Unionism ”, by Sidney and Beatrice Webb, 1920, pp. 166-7.

The *Northern Star* commented :

“ God be paised the shopkeepers of Seaham are not likely, despite these threats, to obey the behests of the vainglorious oppressor.” <sup>1</sup>

In the two counties mentioned—County Durham and County Down—in both of which the Vane-Tempest-Stewarts have been landowners and mine-owners, Parliamentary seats in the past have been at their command. We give below a table showing the periods during which these two constituencies have been actually represented by the Vane-Tempest-Stewarts :

<i>County Down</i>	<i>County Durham</i>
1771–83	1675–7
1790–1800	1678–89
1800–5	1705
1812–20	1741–54
1826–52	1761
1878–84	1768–90
1931–	1794–1800

Every county constituency in Durham, including Seaham Harbour, is now held by the Labour Party.

The present Lord Londonderry gave evidence at the Coal Commission of 1919. At this Commission he said :

“ That he owned minerals already proved to exist in about 5,808 acres in the county of Durham. He also carried on business as a colliery-owner in that county, being the owner of three collieries situated near Seaham Harbour. . . . He carried on his business as the Londonderry Collieries, Limited. All the shares in that company except four of £100 each belonged to him. As between that company and his estate, the coal-mines were let to the company, the amount of the rents, which averaged 4½*d.* per ton, being credited and paid to him by the company. The number of men and boys employed at the colliery were 7,000.” <sup>2</sup>

Lord Londonderry added that the town and harbour of Seaham were established by his great-grandmother, and that he owned the railway. He then provided certain statistics :

<sup>1</sup> *Northern Star*, July 27th, 1844.

<sup>2</sup> Report of the Coal Commission, 1919, *Daily Telegraph*, May 9th.

"The total output of coal from all the freehold properties belonging to witness in the years 1913 to 1918 inclusive was 3,280,321 tons, of which 1,569,296 tons were worked by Londonderry Collieries, Limited, and the balance by other lessees. The royalties . . . were fixed tonnage royalties. They varied from . . . 5½*d.* to 3¼*d.* per ton. Of the average annual output of 546,720 tons, 378,124 tons were worked at an average of about 4½*d.* per ton. The average annual income received by his father and himself from mineral royalties and way-leaves during these years were:

Mineral royalties . . . . .	£9,608
Way-leaves . . . . .	£5,076
Independent surface way-leaves . . . . .	£656." <sup>1</sup>

The witness declared that he was opposed to nationalisation and believed in ownership of private property. The report continues:

"*Mr. Herbert Smith*: 'If the holding of your property were to cause national distress, would you consider changing your views of the rights of property?'

"*Lord Londonderry*: 'If the community became anarchic they would take everyone's property.'"

The present Viscount Castlereagh, son and heir of Lord Londonderry, sits in Parliament for County Down. His father, the present Marquess of Londonderry, broke the family tradition by sitting for Maidstone as Conservative M.P. from 1906 to 1915. He has also held the following positions: Under Secretary of State for Air, 1920-1; Minister of Education and Leader of the Senate (Northern Ireland), 1921-26; First Commissioner of Works, 1928-9, 1931; Secretary of State for Air, 1931-5; Lord Privy Seal and Leader of the House of Lords, 1935; Mayor of Durham, 1936-7. At the present moment Lord Londonderry is President of the Conservative Party.<sup>2</sup> He is also a member of the Anglo-German Fellowship, and his wife and son are both members of the Spanish Children's Repatriation Committee, an organisation which is closely associated with the Friends of National Spain. These organisations will be discussed later in more detail. Mr. Neville Chamberlain, the Prime

<sup>1</sup> Coal Commission, *op. cit.*

<sup>2</sup> *The Times*, October 8th, 1937.

Minister, has been the guest of Lord Londonderry on a number of occasions.

We shall deal more briefly with certain of the other important names included in the "Cousinhood" chart.

The Earl of Crawford and Balcarres is the Premier Earl of Scotland, and the present Earl, David Alexander Edward Lindsay, is the 27th of the line. He is head of a very wealthy family and one whose past history is interesting. As in the case of many Scottish peerages, the position of the Crawford family was built up in warfare between the clans. The "Dictionary of National Biography" says of the 12th Earl who was called in his day "The Prodigal":

"In David Lindsay, 12th Earl of Crawford, the prodigality and lawlessness, which had more or less characterised the descendants of the 'wicked master', reached their climax."<sup>1</sup>

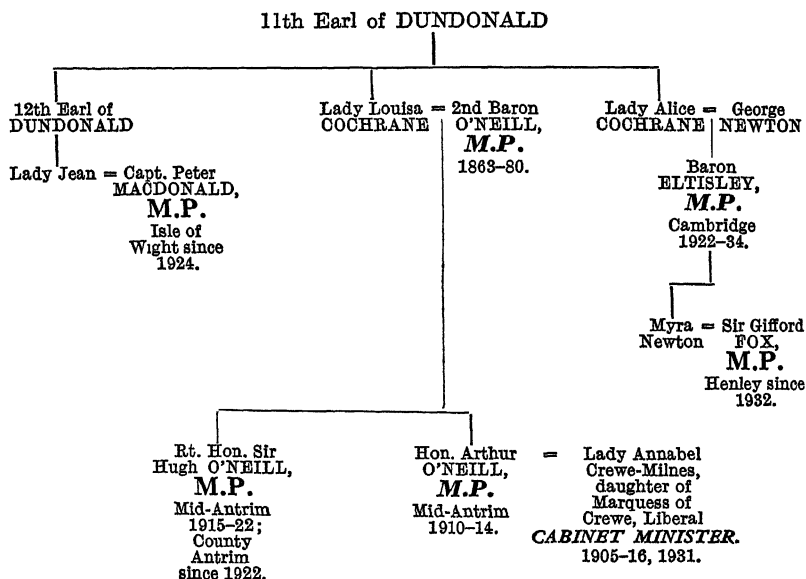
In the early days of the development of the British coal-fields the family turned its attention to making wealth from the mining industry, in which it now holds important directorships. The present Earl is director of the Lancashire Steel Corporation, subsidiary of the Bank of England, of Rylands Bros. and of the Wigan Coal Corporation; while he is chairman of the Wigan Coal and Iron Company. His son and heir, Lord Balniel (Conservative M.P. for Lonsdale, Lancs.) is also a director of the same concerns.

The Lindsay family has close associations with Parliament. The present Earl was Conservative M.P. from 1895 to 1913, when he succeeded to the peerage; he was a member of the Cabinet from 1916 to 1922 as Minister of Agriculture, Lord Privy Seal, Chancellor of the Duchy of Lancaster, and Minister of Transport. His son and heir, Lord Balniel, is Conservative M.P. for Lonsdale, Lancs. The present Earl's father and father-in-law were members of the House of Commons, a daughter married the son of Lt.-Col. Sir Mervyn Manningham-Buller, Bt., Conservative M.P. for Northampton, while another daughter married Godfrey Nicholson (Conservative M.P. for Farnham).

The Cochrane family, also included in the "Cousinhood", is connected with at least three M.P.s; the 13th Earl of Donald is the present head of the family. His brother-in-law is Captain Peter Macdonald, Conservative M.P. for the Isle of

<sup>1</sup> "D.N.B.," Vol. XXXIII, p. 296.

Wight; his first cousin is the Rt. Hon. Sir Hugh O'Neill, Conservative M.P. for Antrim and the first Speaker of the Northern Irish Parliament. The daughter of another first cousin married Sir Gifford Fox, Conservative M.P. for Henley. Sir Gifford is son-in-law of Baron Eltisley, who is first cousin of the 13th Earl of Dundonald. Baron Eltisley was himself a Conservative M.P. from 1922 to 1934; his peerage was created by the present Government; he was chairman of the Central Chamber of Agriculture in 1934 and of the Council of Agriculture for England



in 1922 to 1923; he is a member of the Milk Marketing Board and a director of seven important companies; they include the Guardian Assurance Company and Edmundson's Electricity Corporation, with a capital of over £6,000,000, controlling eighteen electric supply companies stretching across England from Cornwall to East Anglia.

These few influential families are only a part of the landed aristocracy and gentry connected with our House of Commons. Although the main source of wealth of the aristocracy and the landed gentry of to-day is modern industry, these people are still the landowners of Britain. According to Mr. Lloyd George, the actual members of the House of Lords, not including



the landed gentry, owned one-third of the land in Great Britain before the War; the ownership of land is scarcely more widely distributed to-day, though new aristocrats have to some extent replaced the old ones. There is a great deal of evidence to suggest that the landed possessions of Britain's biggest land-owners have in most cases remained unchanged. Indeed, it is a prime tenet of many Conservatives that land should remain in the same hands. The exact figures of landed possessions to-day are not obtainable. The latest public record is the survey of John Bateman, "The Great Landowners of Great Britain"; we have used the 1879 edition, others are dated 1876 1878 and 1883. The following are figures given in this record

<i>Family of</i>	<i>Son in House of Commons</i>	<i>Acres</i>	<i>Gross Annual Value in £.</i>
Duke of Buccleuch	Lord William Scott	459,108	216,473
Earl of Ancaster	Lord Willoughby de Eresby	163,495	120,900
Duke of Portland	Marquess of Titchfield	162,235	124,925
Duke of Hamilton	Marquess of Clydesdale	157,386	73,636
Marquess of Bute	Lord C. Crichton-Stuart	116,668	151,135
Earl of Home	Lord Dunglass	106,550	56,632
Viscount Wimborne	Hon. Ivor Guest		
	Hon. Henry Guest	83,539	46,856
	Hon. Oscar Guest		
Earl of Moray	Hon. James Stuart	81,629	46,863
Earl of Derby	Rt. Hon. Oliver Stanley	68,942	163,273
Baron O'Neill	Rt. Hon. Sir H. O'Neill	65,919	44,000
Marquess of Londonderry	Viscount Castlereagh	50,323	100,118
Marquess of Exeter	Lord Burghley	28,286	49,072
Baron Farnham	Hon. Somerset Maxwell	25,920	18,250
Viscount Allendale	Hon. R. E. B. Beaumont	24,098	34,670
Marquess of Salisbury	Viscount Cranborne	20,202	33,413
Earl Beauchamp	Viscount Elmley	17,634	24,941
Earl Bathurst	Lord Apsley	13,663	21,168
Earl of Crawford	Lord Balmiel	12,480	38,915
Viscount Halifax	Hon. Charles Wood	10,142	12,169
Baron Mowbray, Segrave and Stourton	Hon. J. J. Stourton	5,097	9,347
Total		1,673,316	£1,386,756
Average		83,666 acres	£69,338 per annum

of some of the land-holdings of families in our modern "Cousinhood". We have selected only from those titled families with sons in our present House of Commons.

The peers and landed gentry together still possess the greater part of the land of Great Britain. The strength of the aris-

toocracy and landed gentry in the House of Commons is thus only symbolical of the general interests of the governing class. The Conservative M.P.s in the House of Commons are a cross-section of this class. The high percentage of members of the aristocracy and landed gentry shows both the deep interest of the governing class in landownership and the important part landownership plays in Conservative politics.

This is still further emphasised by a study of the House of Lords. Not only is practically every member of the House of Lords a landowner, but most of the biggest landowners sit in the House of Lords. Thus, although we can describe the landed interest among M.P.s in the House of Commons as symbolical, the landed interest of the Lords is very real.

The Conservatives as a whole are thus not only identified with big business but with landownership. Conservative policy not only favours the big business man but favours the big landowner. In fact landownership has received more favours from the National Government than any other "industry".

The total annual subsidy to agricultural interests amounts to at least £52,000,000 a year. A great part of this subsidy goes into the pockets of landowners. The necessity for reducing the farmers' rents as a result of the world agrarian crisis threatened a reduction in the income of landowners, and therefore impelled the Tories to press for their Sugar Beet and Wheat subsidies, their Bacon and Milk Marketing Boards to maintain prices. The sugar-refiners and the wholesale milk distributors, who are influential in Tory politics, have also profited; only a share of the huge subsidies has gone to the farmers.

The subsidies enabled the big landowners to maintain their rents to a great extent, and so keep their fortunes intact. The subsidy is mainly paid for by the urban working classes, for, as a result of the Government's marketing schemes, they pay a higher price for milk, bread, butter, bacon, and beef.

Everyone will agree that the farmer deserves assistance. But does the landowner deserve assistance? And is it a sound national policy to provide assistance to farmer or landowner by lowering the standard of nutrition of the working population, when a system of direct subsidy would be just as beneficial to agriculture?

Nevertheless the wealth of the aristocracy to-day does not consist mainly of land. Our peers and landed gentry may own

half the land of Britain, but this is only a small proportion of their wealth. The control of the Lords over the Commons does not result merely in subsidies for the landowners. Titles, as we have already suggested, are a "reflex" of property, and in an age when the wealth of the community consists of stocks and shares in big industrial concerns, our titled aristocracy is composed of big business men. The newer the titles, the more accurately and exactly do they reflect the new wealth. Most of them owe their bank balances to the profits of industry. *Half* the present members of the House of Lords carry titles less than 60 years old. 175 titles date back to before the beginning of the nineteenth century; 276 were created during the nineteenth century; and 310 are creations of the twentieth century.

As we have already shown, a great number of these aristocratic families are directly connected with the leadership of modern industry. Indeed, we can go further, and say that it is precisely those sections of the older aristocracy which have made an important place for themselves in modern industry, which have kept their place in the governing class of Britain. This is true in all cases except those few aristocratic families possessing such enormous estates that they have been able to maintain their position without taking an active part in industry. Those noble families that were content with the extent of their possessions fifty or a hundred years ago and did nothing to augment them out of the profits of industry, have in most cases lost their position in the governing class, and now have either disappeared or taken a back seat in Conservative politics.

It is essential to understand this gradual transference of the main form of wealth from land to industry, to obtain a real picture of our aristocracy to-day. Up to 1750 the main source of wealth was the land. This meant that the richest men were in all cases the richest landowners. The Industrial Revolution brought with it new methods of production, and so entirely new prospects for the creation of wealth. Our rich aristocrats found that the possession of land, with its mineral wealth and its sharply increasing value in the new industrial areas, made it easy for them to participate in the new industry. The main *source* of wealth had been the land; and it now became, in an extraordinarily short space of time, factories, mines, railways, and so forth. The main *form* of wealth had been rent from land; it now became not only rent but also interest and profit. The

aristocracy had held the land; now they held not only the land but also a great share in the new sources of wealth.

The peerage maintained its position in practice as a ruling group both by directly making money in industry, and by allying itself with the new and wealthy middle-class, which had initiated and built up the new industries. Bagehot, writing in 1872, said of the aristocracy :

“ The aristocracy ought to be the heads of the plutocracy. In all countries new wealth is ready to worship old wealth, if old wealth will only let it, and I need not say that in England new wealth is eager in its worship . . . Nothing can be more politically useful than such homage, if it be skilfully used. . . . At an election the non-titled are much more powerful than the titled.” <sup>1</sup>

André Maurois endorsed this opinion when he said :

“ The feudal system in England was somewhat flexible. When commerce gave the industrial middle classes their first period of importance, the nobility went into commerce and, at the same time, the business man was ennobled. As admittance to the nobility was open, and on the other hand younger sons were relapsing into the middle classes, a successful business man had no thought of pursuing an anti-aristocratic policy but rather of himself founding a great family.”

Among the families whose fortunes were made during the nineteenth century are the Guests. Their fortunes were founded on the Dowlais iron and steel works.

“ John Guest immigrated from Broseley, Salop, about the year 1758, and settling at Dowlais in Glamorganshire, established extensive iron works there, now the oldest and largest existing in South Wales.” <sup>2</sup>

The grandson of John Guest began the political career of the family; Sir Josiah John Guest, the 1st Baronet, was not only Tory M.P. for Honiton, Yorks., from 1825 to 1831, but showed an enthusiasm for the representation of South Wales in the House of Commons which was perhaps not entirely disinterested :

“ Chiefly through his exertions the borough of Merthyr obtained the privilege of returning a member, and he was

<sup>1</sup> Introduction to 2nd edition of “ The English Constitution ”, 1872, p. xxx.

<sup>2</sup> Burke’s “ Peerage ”, 1938.

himself the first to occupy the seat, 11th December, 1832, which he held till his death.”<sup>1</sup>

Sir Josiah married into the peerage. His son was created a baron in 1880 and married a daughter of the Duke of Marlborough. The Baron is stated to have owned 88,600 acres.<sup>2</sup>

By this time the Guests knew the importance of being well connected. Six out of the nine children of the 1st Baron married into the peerage. His eldest son, the 2nd Baron Wimborne, was made the 1st Viscount Wimborne. He was M.P. from 1900 to 1910 for Plymouth and Cardiff, Paymaster-General from 1910 to 1912, and Lord Lieutenant of Ireland from 1915 to 1918. One of his brothers was an M.P.—the Rt. Hon. Frederick Edward Guest, 1910–29 and 1931; and two other brothers are now in the House of Commons—Col. Hon. Henry Guest is Conservative M.P. for the Drake division of Plymouth, and the Hon. Oscar Guest is Conservative M.P. for North-west Camberwell. The son and heir of the 1st Viscount Wimborne is also an M.P.—the Hon. Ivor Guest, National M.P. for Brecon and Radnor. The Guest family, then, has one ex-member and three present members of the House of Commons.

The industrial connections of the Guest family are extensive. “Who’s Who”, 1938, gives the present Viscount as a director of Barclays Bank. His brother, Col. Hon. Henry Guest, M.P., is a director of: Guest, Keen, and Nettlefolds, Ltd.; Orconera Iron Ore Company; Powell Duffryn Associated Collieries, Ltd.; Welsh Associated Collieries, Ltd., and three other companies.

Another brother, the Hon. Oscar Guest, M.P., is managing director of Hall Telephone Accessories, Ltd. The Hon. Ivor Guest, M.P., is chairman of Harris and Dixon, Ltd., shipowners and insurance brokers, etc. Viscount Wimborne’s nephew, the present Viscount Ridley, is director of the Conssett Iron Company, the Yorkshire Insurance Company, and Lloyds Bank (local board), and owns over 10,000 acres of land.

The connections of this family with interests in Spain have been discussed in Chapter V, and their position in the Coal and Iron industry in Chapter II.

The Guests, in fact, are typical of those families which rose to wealth and power, and therefore titles, in the nineteenth century through a basic industry. The borough of Merthyr

<sup>1</sup> “D.N.B.”, Vol. XXIII, p. 321.

<sup>2</sup> “Who Was Who, 1897–1915.

Tydvil which includes Dowlais, where the eighteenth century John Guest originally set up his ironworks, was recently stated to have over 39% unemployed. The Guests are now among the important political families in Britain.

The Astor family illustrates better than almost any other how a wealthy family whose fortunes are built up in other lands is able to rise within a few generations to the top of British social and political life.

The founder of the family, John Jacob Astor (1763-1848), was born near Heidelberg of humble parentage. He went to Baltimore in 1783 and acquired a fortune by trading with the Indians for furs. The "Dictionary of American Biography" relates how :

" His men shared with other traders, and of course with his approval, in the work of debauching the Indians with liquor in order to get their furs more cheaply. The amassing of wealth was his ruling passion, and few devices that could contribute to that end were neglected by him." <sup>1</sup>

His business grew rapidly; he founded Astoria in Oregon as a trading centre, and sent his wares all over the world. Parton's "Life of John Jacob Astor" describes the way in which he invested the money won in fur trading :

" Having an unbounded faith in the destiny of the United States and in the future commercial supremacy of New York, it was his custom from about 1800 to invest his gains in the purchase of lots and land on Manhattan Island. . . . He died worth twenty million dollars." <sup>2</sup>

The great-grandson of John Jacob, William Waldorf Astor, born in 1848, was an Anglo-American financier. He was trained as a lawyer, contested a seat for Congress, and was elected to the Legislature of New York State. He was for several years United States Ambassador to Italy. In 1890 he made his home in England, and was naturalised in 1899. He died in 1919, having been created a baron in 1916 and a viscount in 1917.

He was succeeded in the title by his son, the present Viscount, but his fortune was divided between his sons, Major the Hon. J. J. Astor, now Conservative M.P. for Dover, and the present

<sup>1</sup> "Dictionary of American Biography", Vol. I, p. 398.

<sup>2</sup> James Parton, "Life of John Jacob Astor", 1865, p. 51.

Viscount and his children. The *Evening Standard* commented as follows :

“ Major Astor is a much richer man than his elder brother, Lord Astor. Not only was the larger share of the late Lord Astor’s fortune which amounted to over £15,000,000 settled on the cadet branch of the family; but a considerable part of the fortune intended for the elder branch was settled direct on the present Lord Astor’s four sons. All except the eldest . . . are equipped with individual fortunes in the neighbourhood of £1,000,000.” <sup>1</sup>

The fortune thus divided was indeed princely. *The Times* gave the amount of the late Lord Astor’s American estates as an estimated total of £22,000,000, divided between various members of the family. <sup>2</sup>

The American estates caused some trouble. The United States authorities demanded death duties on certain sums which had been placed in trust. The 1st Viscount did not hesitate to spend very freely :

“ In England he was chiefly known for his large donations to war charities, as the owner of the *Pall Mall Gazette* and the *Observer*, and as the purchaser of Cliveden, Taplow, Bucks., and Hever Castle in Kent.” <sup>3</sup>

The law case over the American fortunes of the Astors, which dragged on for fifteen years, makes a strange commentary on this. A message from the *Daily Telegraph’s* New York correspondent said :

“ A case involving nearly £4,000,000 in which Viscount Astor and Major the Hon. John Astor are joint plaintiffs, started in the Federal Court here. Its purpose is to recover from the Government a large sum paid in inheritance taxes on the death of the first Viscount Astor in 1919, plus 15 years’ interest at 6 per cent. These taxes were levied on two large trust funds totalling more than £9,000,000, which the late Lord Astor established for his sons in the United States shortly before his death at the end of the War. The heirs contend that this was done to escape possible capital levies in

<sup>1</sup> *Evening Standard*, March 26th, 1938.

<sup>2</sup> *The Times*, March 24th, 1922.

<sup>3</sup> “ Concise Universal Biography ”.

England, but the Government argue that the trusts were created in contemplation of death.”<sup>1</sup>

Mr. Davis, counsel for the Astors, quoting from Lord Astor's correspondence, spoke of the “firm determination” of an American who went to England at the turn of the century and became a British subject, to preserve his huge American estate intact and prevent the British Government from laying hands on it for war purposes. Mr. Davis recalled Lord Astor's satisfaction over the establishment in 1916 of two similar trust funds covering £4,600,000 worth of American stocks and bonds which Lord Astor feared he might be “forced to exchange for War Bonds as part of a plan to provide the Government with funds for the purchases of war supplies in the United States. Then the capital levy cropped up, and Mr. Davis pictured Lord Astor, at the time of Haig's famous ‘backs to the wall’ message, as a man ‘in terror of expropriation by the British Government’.”<sup>2</sup>

The case was won by the United States authorities, though an appeal was again lodged.

Their investments in America have also caused difficulties with the British Tax Commissioners. *The Times* reports a case heard before the Court of Appeal on December 6th, 1933 :

“The case stated showed that at a meeting of the Commissioners for the Special Purposes of Income Tax Acts held on March 18th, 1933, Mr. W. W. Astor appealed against assessments to Income Tax in the sum of £23,809, £23,809, and £25,245, for the years ending April 5th, 1930, 1931 and 1932 respectively . . . in respect of income from possessions out of the United Kingdom.”<sup>3</sup>

The grounds for Mr. Astor's appeal were that specific income from stocks and shares held on his behalf by a trust company in America were not liable to tax. Mr. Astor eventually won his case on appeal to the House of Lords.<sup>4</sup>

In 1935 Mr. W. W. Astor was elected as Conservative M.P. for East Fulham; the *Daily Herald* reports an amusing speech of Viscountess Astor in support of her son at this election :

“I have very strong views about young men going into Parliament. I do not believe it is a place for young men until

<sup>1</sup> *Daily Telegraph*, May 18th, 1937.

<sup>2</sup> *Daily Telegraph*, May 28th, 1937.

<sup>3</sup> *The Times*, December 7th, 1933.

<sup>4</sup> *The Times*, March 16th, 1935.



they know something. They tried to get my son to stand for Parliament when he was 21 . . . but I declined to allow it until he had travelled and knew something. Now you have a well-seasoned, well-trained and well-brought-up candidate. What is more, he has his mother to see that he goes straight when he gets there. You have the opportunity to send a young man to the House of Commons with his mother there to look after him. No other constituency in England can say that.”<sup>1</sup>

The facts and figures emerging from the American taxation dispute give an adequate idea of the wealth of the Astors. This wealth is further illustrated by the directorships held by the family. Major the Hon. John Jacob Astor, M.P., is a director of an important bank, a main-line railway company, a big insurance company, and a newspaper: Hambros Bank, the Great Western Railway, the Phoenix Assurance Company and *The Times* Holding Company. Viscount Astor owns the *Observer*.

The Astor family is very well represented in Parliament; besides Lord Astor in the House of Lords, Lady (Nancy) Astor has been Conservative M.P. for the Sutton Division of Plymouth since 1919. Lord Astor's son and heir, the Hon. W. W. Astor, has been Conservative M.P. for East Fulham since 1935; and the Viscount's brother, Major the Hon. J. J. Astor, has been Conservative M.P. for Dover since 1922. A daughter of Viscount Astor married Lord Willoughby de Eresby, Conservative M.P. for Rutland and Stamford since 1933, and Mr. Ronald Tree, Conservative M.P. for the Harborough Division of Leicestershire since 1933 married a niece of Lady Astor.<sup>2</sup>

When Sir Samuel Hoare was First Lord of the Admiralty in 1936, he appointed the Hon. W. W. Astor as his Parliamentary Private Secretary, though he had been only one year in the House of Commons. On Sir Samuel's appointment to the Home Office, he appointed the Hon. W. W. Astor as his Parliamentary Private Secretary there almost immediately.

The Astors are also well known for their house-parties at Cliveden, one of their country seats where Mr. Neville Chamberlain, Sir Thomas Inskip, and other members of the Cabinet

<sup>1</sup> *Daily Herald*, June 25th, 1935, reported by Hannen Swaffer.

<sup>2</sup> *Daily Express*, November 30th, 1933.

have been guests. Among the newer governing families the Astors are among the most outstanding.

The Lords have always used the Commons to maintain their grip on the Government and the administration. This fact is fully commented upon by Bagehot :

“ Great peers . . . used their influence in the House of Commons instead of the House of Lords. In that indirect manner a rural potentate, who half returned two county members, and wholly returned two borough members,—who perhaps gave seats to members of the government, who possibly seated the leader of the Opposition—became a much greater man than by sitting on his own bench, in his own House, hearing a Chancellor talk. The House of Lords was a second-rate force, even when the peers were a first-rate force, because the greatest peers, those who had the greatest social importance, did not care for their own House, or like it, but gained a great part of their political power by a hidden but potent influence in the competing House.” <sup>1</sup>

The Tory Party is not a party of the commons but to a great extent a party of the Lords sitting in the House of Commons. Bagehot's description of the influence of the peerage on the House of Commons is still true to-day :

“ No doubt the direct descendants and collateral relatives of noble families supply members to parliament in far greater proportion than is warranted by the number of such families in comparison to the whole nation. They have the opinions of the propertied rank in which they were born.” <sup>2</sup>

The direct descendants and collateral relatives of noble families still supply a great part of the Conservative Members of Parliament. In the table below we have added baronets and knights, for although these are not peers, a baronetcy or a knighthood is so often the first rung in the ladder. This table avoids all overlapping between different categories; thus where the son or heir of a peer is also the son-in-law of another peer, he is not again included in the figure for “ sons-in-law ” in this table :

<sup>1</sup> Bagehot, “ The English Constitution ”, p. 97.

<sup>2</sup> *Op. cit.*, p. 167.

## TORY KNIGHTS AND ARISTOCRATS IN THE HOUSE OF COMMONS

Peer in his own right . . . . .	1	
Heirs to Peerages . . . . .	18	
Younger sons of Peers . . . . .	18	
Sons-in-law of Peers . . . . .	25	
Blood Relations of Peers . . . . .	24	
Relations by Marriage of Peers . . . . .	12	
Landed Gentry . . . . .	55	
	<hr/>	148
Baronets . . . . .	24	
	<hr/>	172
Knights . . . . .		64
		<hr/>
Total number of M.P.s . . . . .		236

Titles are, and always have been, a symbol of wealth. Too often the symbol is mistaken for the fact; the truth being that wealth almost always precedes title. Wealth, under the present system of society, means political power; and political power is most effectively wielded through the House of Commons; and this is one of the main ways in which the aristocracy retain their position in British society :

“ These people were not only rich . . . they were also great in political power; they were the *ruling class* . . . and their strength lay essentially in this—that they returned a large proportion of members of Parliament.” <sup>1</sup>

We have shown that peers are extremely rich men and that their wealth is usually invested in the most important industries of any given period. We contend also that rich men tend in the long run to become peers. It is true that many factors play their part in this process. The essential rôle of titles in a political sense is to maintain and strengthen the traditional solidarity of the rich minority. So the bestowal of titles to-day is not merely the granting of ceremonial titles to “ great men ” on account of their “ public services ”; it is the acceptance into the highest ranks of the governing class of leading figures among those who have become dominant in British finance and industry. So far this has only been proved by example. We shall prove these statements by examining in some detail the

<sup>1</sup> O. F. Christie, “ The Transition from Aristocracy ”, p. 29.

very newest aristocracy—those who have been granted titles for the first time, or higher titles, since 1931—that is, during the existence of the National Government.

This analysis is important from several points of view. In the first place, it will show us what section of the community is being recruited to the Peerage. Secondly, it will give us some indication of the nature of the National Government itself, for one may judge a Government by the people whom it honours.

The total number of peers created by the National Government since 1931 is over 90; this figure includes those who have received a higher title, but were already peers. Of these 90 the number holding directorships is 60, who between them now hold over 420 directorships in limited companies. 42 of the men with new titles who now sit in the House of Lords are directors of banks or insurance companies, holding 86 directorships between them. (*Meanwhile 16 Conservative bank directors sit in the House of Commons and 43 directors of insurance companies.*) These figures can be illustrated by a list of present directors of the "Big Five" Banks and the Bank of England who have received peerages since 1931. We should remember that a few of these are not new peerages, but peers who have been granted better titles by the National Government.

#### THE NEW PEERAGE

<i>Banks</i>	<i>House of Lords</i>
Bank of England.	Lord St. Just (1935). Lord Stamp (1938).
Lloyds Bank.	<i>Chairman :</i> Lord Wardington (1936). Viscount Weir (1938).
( <i>Member Capital and Counties Bank Committee</i> ).	Viscount Bledisloe (1935).  Viscount Horne of Slamannan (1937).
National Provincial Bank.	Lord Riverdale (1935). Lord Pender (1937). Lord Perry (1938)
Midland Bank.	Lord Davies (1932). Lord Wigram (1935). Lord McGowan (1937).
Westminster Bank.	Marquess of Willington (1936). Viscount Runciman (1937).
Barclays Bank.	Lord Essendon (1932).

This list, of course, does not include all the peers on the boards of directors of these banks, but merely those whose titles have been granted in the past seven years.

Nine present directors of main-line railways have been

given peerages since 1931 (*while the railway companies have nine directors who are Conservative M.P.s*).

Among the leaders of industry who received their peerages in the last seven years we find :

### 1. *Brewing.*

Lord Blackford (1935).	Ind Coope & Allsopp and others.
Lord Brocket (1933).	Peter Walker's and seven others.
Lord Denham (1937).	<i>Deputy-Chairman</i> : Benskin's Watford Brewery.
Lord Moyne (1932).	Arthur Guinness, Son & Company.

(11 brewers sit as Conservative M.P.s in the House of Commons.)

### 2. *Coal.*

Lord Davies (1932).	<i>Chairman</i> : Taff Merthyr Steam Coal, and others.
Lord Rankellour (1932).	Carlton Main Collieries.
Lord Brassey (1938).	Powell Duffryn. Welsh Associated Collieries.

(14 members of the House of Commons are coalowners.)

### 3. *Press.*

Lord Iliffe (1938).	<i>Daily Telegraph.</i>
Lord Kemsley (1936).	<i>Chairman</i> : <i>Allied Newspapers.</i> ( <i>Daily Sketch</i> ; <i>Sunday Times</i> , etc.)
Lord Southwood (1937).	<i>Chairman and Managing Director</i> : Odhams Press ( <i>Daily Herald</i> , etc.)
	<i>Chairman</i> : <i>Sporting and Dramatic</i> , etc.

(Some 14 Conservative members of the House of Commons are closely connected with the Press.)

### 4. *Motor Industry.*

Lord Austin (1936).	<i>Chairman</i> : Austin Motor Company.
Viscount Nuffield (1938).	<i>Chairman</i> : Morris Motors. Wolseley Motors.
Lord Perry (1938).	<i>Chairman</i> : Ford Motor Company.

(About 7 Conservative M.P.s are closely connected with the motor industry.)

### 5. *Chemicals.*

Lord McGowan (1937)	<i>Chairman</i> : } Imperial Chemical Industries.
Viscount Weir (1938).	
Lord Selsdon (1932).	
	<i>Chairman</i> : Eno's (Medicine).

(A considerable number of Conservative M.P.s are concerned in this industry.)

6. *Shipping.*

Viscount Bledisloe (1935). P. & O.  
 Viscount Runciman (1937). Moor Line, etc.  
 Lord Essendon (1932). *Chairman* : Furness, Withy & Company.  
 Cunard White Star, Ltd.

(About 18 Conservative M.P.s are concerned in shipping and allied industries.)

7. *Wireless, etc.*

Lord Pender (1937). *Governor and Managing Director* : Cable & Wireless (also Kodak, Ltd.).

(Cable & Wireless, Ltd., also has a director among Conservative M.P.s.)

8. *Oil.*

Lord Cadman (1937). *Chairman* : Anglo-Iranian Oil Company.

9. *Biscuits.*

Lord Palmer (1933). Huntley & Palmers.

10. *Electricity.*

Lord Eltisley (1934). Edmundson's Electricity Corporation and others.

11. *Electrical Engineering.*

Lord Hirst (1934). *Chairman* : General Electric Company and others.

If so many great industrialists are raised to the peerage in the short space of seven years, we can easily imagine the extent to which the aristocracy as a whole controls the wealth of this country and the good prospects of almost any really wealthy man becoming a peer.

One of the most varied, though not by any means the largest "bag" of directorships is held by Viscount Greenwood (created 1937), who has been Treasurer of the Conservative Party since 1938 :

*Chairman* : Aerated Bread Company.  
*Chairman* : Agricultural Mortgage Company of Palestine.  
*Chairman* : Bowesfield Steel Company.  
*Director* : British Structural Steel Company.  
*Deputy-Chairman* : Darlington Rolling Mills Company.  
*Director* : Dorman Long (Africa).  
*Chairman* : Dorman Long & Company.  
*Director* : Law Debenture Corporation.

<i>Chairman :</i>	Lewis Berger & Sons.
<i>Director :</i>	Montague Burton.
<i>Director :</i>	Pearson & Dorman Long.
<i>Director :</i>	Phoenix Assurance Company.
<i>Chairman :</i>	Redpath, Brown & Company.
<i>Director :</i>	Société Internationale d'Énergie Hydro-Électrique (Sidro).
<i>Chairman :</i>	Tees Side Bridge & Engineering Works.
<i>Chairman :</i>	Upton Colliery Company.

Among the peerages granted by the National Government are a number given for professional distinction or philanthropy; among them we should note Lord Horder, a distinguished representative of the medical profession. Two noted philanthropists are also included, Viscount Nuffield, who has given an exceptionally large part of his immense personal wealth to many good causes, including the foundation of a new Oxford college and the provision of grants for hospitals and research; and Lord Duveen, who has given perhaps more art treasures to the nation during the last few years than any other wealthy man.

There are several lawyers, such as Lord Maugham, Lord Chancellor of the present Government, and a number of soldiers, sailors, and members of the Diplomatic Service. Peerages are always given as a matter of tradition to the heads of these professions. Several politicians are included; for example, Earl Baldwin, Lord Rushcliffe, chairman of the Unemployment Assistance Board, two National-Labour M.P.s, one Liberal M.P., and one Labour M.P.

All these new peers, with one or two exceptions, are Conservatives, showing the highly political character of these titles. This is still further emphasised by the fact that one half—48 out of 90—of these peers are ex-M.P.s. Far from being "National", in fact, these titles are given in most cases by Tories to Tories. The Lords send their relatives to sit in the House of Commons, and in turn recruit their political supporters into the Lords.

Of the 77 knights in the House of Commons who are Government supporters, 40 were knighted by the National Government, 10 by previous Conservative Governments while sitting in the House. The Prime Minister selects the recipients of titles, and in doing so is constitutionally responsible to the wealthy Conservative M.P.s upon whom titles are so lavishly bestowed.

The title of baron, earl, or duke before the Industrial Revolu-

tion was, as we have already shown, a "reflex" of landed property. A distinguished judge or soldier was often given a title, but even then the gift was almost invariably accompanied by a grant of money or land. The title of baron, viscount, or earl is still, as we have shown, a "reflex" of property, but to-day mainly of industrial wealth. It is, indeed, still the custom for a new peer to purchase land when he receives a title, but the great property which the title reflects is industrial and not landed.

The granting of titles by the National Government to-day, then, is in the main the conferment of honours on wealth and property. When a Conservative M.P. writes, "We should be proud of our rich men and not ashamed of them", he is expressing rather bluntly exactly the same philosophy as a Prime Minister who recommends a wealthy banker, brewer, armament manufacturer, or shipowner for a peerage. The granting of a title to-day implies an instruction to the community "to honour this rich man, because he is rich".

Many people are more familiar with the order or precedence of peers or the robes they wear on State occasions than with their company directorships. Our aristocracy still retains a remarkable amount of mediaeval paraphernalia. In times gone by the elaborate system of precedence was paralleled by an equivalent hierarchy in property. A dukedom used to imply greater possessions than an earldom, an earldom greater possessions than a barony, and so on. To-day it is still true that dukes possess *on the average* more land than earls or barons, but the order of precedence and the galaxy of different titles are now largely meaningless.

They serve, however, one definite purpose. The social philosophy whose basic tenet is "to honour our rich men" is too crude to win much support in our present society, struggling as it is towards the realisation of a more and not less perfect democracy. In the same way, it was too crude an idea in the past to win, undecorated, the support of the poor tenant or serf. The idea had therefore, and still has to-day, to be adorned with symbols and pageantry in order to be palatable to the ordinary person. It is considerably easier to write a romantic and attractive story about an earl or a baron than about a brewer or a director of an insurance company.

A whole elaborate propaganda machine works daily to keep



this great myth alive. Part of it is intended for "internal" consumption—for example, the more expensive Society papers—while some cruder sorts of propaganda are meant to convince the rest of us of the glory and the permanence of the nobility. Earl Winterton, once edited *The World*, and though he spoke of his attainment of the editorship as satisfying one of his main ambitions in life, he was frank about the objectives and contents of the paper :

" [Such papers] purveyed their goods to a public, that was vain and snobbish, though quite respectable. It consisted of those who wanted to read about themselves, and those who wanted to know everything that there was to be known about members of the Royal Family and persons who had some distinction as a result of birth, attainment or both." <sup>1</sup>

It is easier to instill into certain backward sections of the community some respect for titled people, than it is to win the same respect for wealthy commoners. It is easier to create that attitude of mind known as "snobbishness" around a hierarchy of titled names, than around a miscellaneous group of wealthy and hard-boiled business men. Walter Bagehot, a consistent apologist for the rich and the noble, understood this and said :

"The office of an order of nobility is to impose on the common people . . ." <sup>2</sup>

A title gives a person prestige in the well-to-do circles of society in which he moves; it gives him increasing authority over the sycophants who aspire to similar wealth and similar titles; it is a symbol that its holder has been received into the governing class. In this way, then, the hierarchy of titled people helps to knit together the governing class; and by dangling titles, among other prizes, before the eyes of a thousand society climbers, maintains their obedience to the end. The titles and the social ritual of our upper classes successfully breed a social philosophy among certain well-to-do sections of society. The basic tenet of this philosophy is "pride in our rich men". The political expression of this "pride in our rich men" is Government by rich men, which, as we have seen, is the fundamental aim and object of Conservative politics.

<sup>1</sup> Earl Winterton, "Pre-War", 1932, p. 149.

<sup>2</sup> Bagehot, *op. cit.*, p. 89.

Walter Bagehot urged the alliance of plutocracy and aristocracy against the new electorate or, in other words, the mass of the people :

“ As a theoretical writer I can venture to say . . . that I am exceedingly afraid of the ignorant multitude of the new constituencies. I wish to have as great and as compact a power as possible to resist it . . . the main interest of (the plutocracy and the aristocracy) is now identical, which is to prevent or mitigate the rule of uneducated members.” <sup>1</sup>

The House of Lords, thought Bagehot, could be a great aid in solidifying the higher classes against the common people. Speaking of the power of the old ruling families after the Reform Bill of 1867, he said :

“ They have to guide the new voters in the exercise of the franchise; to guide them quietly and without saying what they are doing, but still to guide them. . . . But in all cases it must be remembered that a political ambition of the lower classes, as such and for their own objects, is an evil of the first magnitude. . . . So long as they are not taught to act together there is a chance of this being arrested, and it can only be averted by the greatest wisdom and the greatest foresight in the higher classes.” <sup>2</sup>

Many members of our present House of Lords regard that institution in the same way as Bagehot. In 1934 Lord Redesdale, who had then been eighteen years a Peer, speaking on the possible curtailment of the powers of the Lords said :

“ Generally speaking, a man who had spent all his life in politics and public affairs was more likely to have a son capable of following his footsteps . . . than a man who had never paid particular attention to either. . . . He was, however, a firm believer in heredity. . . . All that their Lordships' House needed was a restitution of the powers it had held in former days—the repeal of the Parliament Act. . . . Their Lordships' House was the finest Second Chamber in the world, the envy of all civilised countries.” <sup>3</sup>

<sup>1</sup> Bagehot, *op. cit.*, Introduction to 2nd Edition, p. xxix.

<sup>2</sup> *Ibid.*, p. xix.

<sup>3</sup> *The Times*, May 9th, 1934.

Any Democratic or Labour Government would have to be prepared to deal severely with the House of Lords. It has still power to delay any Bill, except a Money Bill, for two years. It is true the Speaker of the House of Commons can certify *any* Bill as a Money Bill, and cannot then be overruled; but with the Press and other financial weapons at the disposal of the Lords, any Democratic Government might be met with the most determined opposition unless it was prepared to use all its power to abolish the House of Lords once and for all. Lord Rosebery, writing to Queen Victoria in 1894, shows that this was as true then as it is now :

“When the Conservative Party is in power there is no House of Lords; it takes whatever the Conservative Government brings it from the House of Commons without question or dispute; but the moment a Liberal Government is formed, this harmless body assumes an active life, and its activity is entirely exercised in opposition to the Government.”<sup>1</sup>

A House composed almost entirely of wealthy landowners, coalowners, bankers, and big industrial magnates is nothing but a monstrous anomaly in a democratic country. A Labour Government could, of course, create enough Labour peers to out-vote the Tories. Even a threat to dilute the peerage in this way would probably be effective. Howard Evans wrote in 1907 :

“Let us concede that Guinness sells good stout, Bass and Allsopp good ale; is that any reason why Lords Ardilaun and Iveagh and Burton and Hindlip and their successors for all time should have the right to sit in judgement over the legislative work of the representatives of the people of the United Kingdom? The Glyns and Millses and Lloyd-Joneses have made money in Lombard Street; is that any reason why they should lord it over the millions of workers who are the real creators of the national wealth? . . . How much longer will the patient British public endure such a drag on the wheels of progress? . . . Let us raise again John Morley’s old cry, ‘Mend it, or end it!’ and fight to a finish.”<sup>2</sup>

A healthy attitude of cynicism towards the House of Lords

<sup>1</sup> Quoted by O. F. Christie, “The Transition to Democracy”, p. 267.

<sup>2</sup> Howard Evans, “Our Old Nobility”, Introduction to 5th Edition, 1907.

and titles in general has become widespread throughout the greater part of the community during the last fifty years. To some extent this cynicism is, however, misplaced. Both the House of Lords and the existence of titles are, indeed, a mediaeval survival which appears curious in the modern age. But these titles are a useful disguise, and behind them we find, to an extent which few people realise, the immense wealth, property, and privilege which are still the real ruler in our democracy. Titles were for many centuries the label of the landed oligarchy which ruled England; and titles to-day are no less the label of the greater part of that industrial and landed oligarchy which rules England through the Tories.

All the most important titles are hereditary. This symbolises the hereditary nature of wealth which is such a basic characteristic of our present economic and political system, just as it was of feudalism.

The greater part of the governing class to-day owes its wealth and position in society to inheritance :

“On the whole the large fortunes belong to those with the richest parents . . . in the great majority of cases the large fortunes of one generation belong to the children of those who possessed the large fortunes of the previous generation . . . there is in our society an hereditary inequality of economic status which has survived the dissolution of the cruder forms of feudalism.”<sup>1</sup>

Approximately eighty out of every hundred really wealthy men in England to-day have inherited the greater proportion of their wealth. Only some 20% of our wealthy business men are “self-made”. The picture of our titled families is similar. About 41% of the peers in the present House of Lords have titles of twentieth century origin, creations of this or the last two reigns. The figure is, indeed, rather inflated, owing particularly to the great rate at which big industrialists have been given titles during the last seven years. The actual rate at which the ruling class has been recruiting new members is somewhat less.

It should, however, be emphasised that even among the 20% of recruits in each generation to the class of the extremely

<sup>1</sup> Josiah Wedgwood, article in the *Economic Journal*. See his “Economics of Inheritance” for discussion of this subject (Pelican Books).

wealthy, few indeed have built up fortunes in one generation. Much more often, great wealth has been preceded by moderate wealth. It is therefore clear that in an economic sense this class depends on inheritance. Its love of hereditary titles, its study of genealogy, the production of such mighty volumes as Burke's "Peerage" and Debrett are the outward trappings of the social philosophy of a class dependent for its existence upon inheritance.

Respect, and even reverence, for wealth must be accompanied by a similar respect for hereditary privilege. The continuity which we find in the financial fortunes of our governing families is accompanied by a continuity of traditions. These traditions include the schools they go to, the careers they choose for their sons, but by far the most important is the continuity in political traditions.

We have given illustrations of noble families whose sons have sat in the House of Commons in an almost unbroken line for centuries. We have shown families who have held positions in the Cabinet for two hundred years. The Industrial Revolution caused big changes in society, which in turn changed many of the ideas of this class; but one central idea has remained unchanged—that they, in view of their wealth and privilege, must retain political control at all costs if they are to survive.

To-day this idea of the "governing families" is the motive force of our Government's policy. In the words of Gladstone, we have "the resolute banding of the great and the rich and the noble, and I know not who, against the true genuine sense of the people".

Every democrat must learn to recognise in a title the antithesis of the democratic system for which he stands. He must regard with the utmost suspicion the intentions and the spoken or written word of titled aristocrats. In an age when democracy is struggling for supremacy throughout the world, a few of the most upright and courageous have always been on the side of the people; but the great majority of aristocrats in every country are on the side of autocracy and fascism to-day.

## CHAPTER VII

### *Social Origins of Tory Politicians*

“ The good old way, the simple plan  
That they should take who have the power,  
And they should keep who can.”

“ ‘ Any questions ? ’ We were all far too frightened to ask any. There was a flutter of old school ties and we realised that they had left the room. Half expecting the audience to break into the Eton boating-song or ‘ Forty Years On ’, I slid out of the room before they could start up. . . . ”

The Party Whips hold a meeting for new Tory M.P.’s (J. R. J. Macnamara, “ The Whistle Blows ”, 1938, p. 145).

THE aristocrats discussed in the last chapter are a very important part of the Tory membership of the House of Commons. In leading Government circles we may almost say that they have a dominating influence.

Our titled Conservatives and their near relations, namely that part of wealthy society which we have called the “ Cousinhood ”, holds nearly half the Conservative seats in the House of Commons and rather less than half of the Cabinet posts, the Under-Secretaryships and other Government positions.

A true picture of the social origin of the Conservative representation in the House of Commons must therefore include some picture of that two-thirds who have not been considered in the previous chapter. In the previous chapter we dealt with those Conservative M.P.s who owe their position to their aristocratic descent. The continuity of Conservative traditions and the inheritance of great wealth were shown to be closely connected. Therefore before considering some of the important characteristics of the whole body of Government M.P.s it is important to examine the families from which they come.

The fathers of some 300 of our Conservative M.P.s are easily traceable. Evidence of the education, wealth, and occupations of the remainder suggests that these 300 fathers are a representative sample. In the following table the main occupations of these 300 are analysed in percentages :

#### OCCUPATION OF FATHERS OF CONSERVATIVE M.P.s

Industry, banking, and commerce . . . . .	29%
Landowners, “ rentiers ”, etc. (not included in other categories)	20%
Officers in the armed forces . . . . .	16%
Professional politicians . . . . .	15%
Church . . . . .	7%
Higher civil and diplomatic services . . . . .	5%
Professions (teaching, medicine, arts, solicitors, etc.) . . . . .	8%

This table requires some explanation. Overlapping between the different groups has been overcome in this table by including those fathers under the heading of "Landowners, 'rentiers', etc.", only if they do not fit into one of the other categories. Some of the fathers were "barristers", but this heading has been omitted, for the great majority were not practising barristers, and fitted in almost every case into one of the other categories.

Most of the professional politicians might also be classed as landowners or rentiers. In the last generation even less than to-day could a political career in the Conservative Party be contemplated by anyone without the support of a substantial family fortune. Great wealth is the rule in the case of all fathers except the professional group, of whom only a few were men of wealth. Most, though not all, of the civil servants and Church dignitaries were wealthy.

The titled families are largely in the two categories of "industry, banking, and commerce" and "landowners and rentiers", with a number of representatives among the officers, professional politicians, and the diplomatic service.

The "industry, banking, and commerce" category includes such famous names as Bird (custard), Courtauld (rayon), Crossley (motors), Gretton (beer), Nicholson (gin), Guest (steel), Hambro (banking), Beit and Joel (gold and diamonds), Cayzer (shipping), and so on. They are all families of great wealth.

Mr. R. S. Hudson, Parliamentary Secretary to the Board of Trade and Secretary to the Department of Overseas Trade, inherited the greater part, about £150,000, of the estate of his father, Mr. Robert William Hudson, "one time head of R. S. Hudson, makers of Hudson's Dry Soap"<sup>1</sup> (now a subsidiary of Lever Bros. & Unilever, Ltd.). He is best known to the general public for the prominent part he has played in trade negotiations in Warsaw, Moscow, Stockholm, and other European capitals.

A family we have not so far mentioned is the Courtaulds; the following report from a daily paper illustrates once more the vast extent of the fortunes of these leading families:

**"£1,900,000 MADE IN THREE DAYS! COURTAULD FAMILY PROFIT."**

"The news of Courtaulds' £12,000,000 bonus yesterday started the Stock Exchange on the wildest day it has had

<sup>1</sup> *Daily Express*, August 6th, 1938.

for years. Stockbrokers caught early trains to Town, and crowds were dealing with the shares before the House officially opened. Brokers fought to approach the jobbers. Wild dealing continued in the street three hours after the Exchange closed. . . . Members of the Courtauld family benefit largely by the rise. Eighteen of them are registered at Somerset House as holding 1,207,978 Ordinary Shares and 687,409 Preference Shares. These though nominally £1 each, had a market value last night of more than £11,000,000.”<sup>1</sup>

Major John Sewell Courtauld (Conservative M.P. for Chichester) is the present member of this family in the House of Commons. Major Ralph Rayner (Conservative M.P. for Totnes) and Mr. R. A. Butler (Conservative M.P. for Saffron Walden), Parliamentary Under-Secretary to the Foreign Office, have both married members of the Courtauld family.

With few exceptions Conservative members of our present House of Commons owe their position to advantages of birth. The exceptions to this rule must, however, be noted, for they serve to illustrate how difficult it is even for the well-to-do middle-class family to obtain a place in governing circles. The “not-so-wealthy” parents are largely confined to the “professions”, including teaching, medicine, engineering, arts, etc., which altogether are no more than 8% of the total.

From over 300 M.P.s we have only discovered one whose parents were definitely “poor”, namely, Sir Walter Womersley (Conservative M.P. for Grimsby), Assistant Postmaster-General in the present Government, who “worked as a half-timer in a factory at 10 years of age”. He has been called “the only Tory working man in Parliament”.<sup>2</sup> Three or four others may also well be described as “self-made”, in that they are now wealthy men, but had no appreciable advantages of birth. These figures are not surprising if we consider the small representation in the Conservative Party of the sons of professional men, who usually have every advantage of good education, if not of wealth :

“It is as difficult for a poor man, if he be a Conservative, to get into the House of Commons as it is for a camel to get through the eye of a needle. This is not to say that it is

<sup>1</sup> *Daily Express*, February 23rd, 1928.

<sup>2</sup> *Daily Express*, January 23rd, 1937.



impossible, any more than it is impossible, we hope, for a rich man to get into the Kingdom of Heaven, but in both cases entrance is attended with difficulty.”<sup>1</sup>

This brief summary of the social origins of Conservative M.P.s points once again to the conclusion of previous chapters : that the Conservative Party is the political party of the very wealthy. A small class of the community retains in its hands the control of the country's Government through a political party which expresses its outlook and its interests. The members of this small class owe their position in society to the wealth of their fathers. Professor Cannan, writing in 1912 in the “ Economic Outlook ”, said :

“ The inequality in the amounts of property which individuals have received by way of bequest and inheritance is by far the most potent cause of inequality in the actual distribution of property.”

A small class of wealthy families perpetuates itself from one generation to the next. At the same time that this class hands on its wealth to the next generation, it hands on the control of the Conservative Party, as one weapon with which it may maintain its wealth and privilege.

The small size of this class from which our leading Conservatives are drawn is well illustrated by the educational advantages which they enjoyed. The most expensive schools in Britain are Eton and Harrow. A son's education at either of these schools costs a parent at least £300 a year (fees are £230 a year approximately at both schools, apart from extras). They are essentially the schools of this governing class, which has such a firm control of our political institutions. On October 28th, 1938, the *Evening News* wrote :

“ Mr. Chamberlain's changes in the Ministry add two more Old Etonians to the Cabinet. Earl Stanhope and Earl De La Warr join their school colleagues Viscount Hailsham, Lord President of the Council, who was Captain of the Oppidans in his time; Lord Halifax, Secretary for Foreign Affairs; Mr. Oliver Stanley, of the Board of Trade, and Earl Winterton, Chancellor of the Duchy of Lancaster. Eton thus has a majority in the Cabinet. Rugby is repre-

<sup>1</sup> Rt. Hon. A. Duff Cooper, Conservative M.P. for St. George's. *Evening Standard*, March 14th, 1939.

sented by the Prime Minister, and Harrow by Sir Samuel Hoare and the Marquess of Zetland; Harrow will possibly be reinforced by Captain Euan Wallace."

Lord Baldwin is an old Harrovian and once said :

" When the call came to me to form a Government, one of my first thoughts was that it should be a Government of which Harrow should not be ashamed."

The Conservative Party has been dominated by " Old Etonians " and " Old Harrovians " for generations. The following figures <sup>1</sup> show the representation of these two schools among Conservative M.P.s during the last thirty years :

	<i>Total Conservative M.P.s</i>	<i>Eton &amp; Harrow</i>
1905 . . . . .	386	144 = 37%
1909 . . . . .	157	67 = 43%
1928 . . . . .	415	128 = 31%
1938 . . . . .	415	125 = 30%

The schools at which Tory M.P.s were educated are in many cases not ascertainable; the figures are almost certainly higher than the above table would suggest. Eton has usually more old boys among Tory M.P.s than Harrow. In 1938 Eton had at least 101 M.P.s, Harrow claiming only 24.

Only about 0.1% of boys go to Eton or Harrow, while 30% of Tory M.P.s were educated at one of these schools. The percentage of parents in the population who could afford the fees is not much larger.

It is clear that these schools are the most important training-ground for prospective Conservative politicians. They are a part of a series of institutions which develop the mental outlook of Tory legislators. They are of such importance that it is worth while to examine them more closely.

Who controls these schools? Eton is controlled by a Board of 10 " Fellows ", Harrow by a Board of 10 Governors. On both Boards there are directors of the Bank of England; Mr. Cecil Lubbock is on the Board of Eton and Lord St. Just on the Board of Harrow. Among the Eton Fellows are also two directors of the " Big Five " Banks, Sir Harold Snagge, director

<sup>1</sup> See Greaves, " Reactionary England ", 1936, p. 50.

of Barclays Bank, and the Hon. Jasper Ridley, Joint Deputy Chairman of the National Provincial Bank.

On the Board of each school there is a Conservative Cabinet Minister; Eton has Viscount Halifax, and Harrow the Marquess of Zetland. Harrow also has two Conservative ex-Cabinet Ministers, the Rt. Hon. L. S. Amery and Lord Baldwin. Mr. Geoffrey Dawson, Editor of *The Times*, is among the Eton Fellows. The Bishop of Lincoln, appointed to his bishopric by the National Government in 1933, is the "Visitor" of Eton College, and on the Board of Harrow.

The Governors of the two schools include a minority with high academic distinctions, among whom are one or two of progressive opinions. It is clear that both schools are controlled by leading Conservatives.

To complete the picture we only need to mention the large number of Conservative M.P.s and peers who send their sons to these most expensive and most exclusive schools. At least 33 Conservative M.P.s have sons at Eton at the time of writing,<sup>1</sup> including two sons of the Hon. J. J. Astor (M.P. for Dover), a son of Sir Charles Cayzer (M.P. for Chester), a son of Sir Edward Grigg (M.P. for Altrincham), a son of Mr. M. R. Hely-Hutchinson (M.P. for Hastings), and so on. Among present Cabinet Ministers Earl De La Warr, Viscount Halifax, and the Rt. Hon. Oliver Stanley have sons at Eton.

Eton and Harrow are, in fact, important training-schools of British Conservatism. A great proportion of the leading Conservatives of to-day were educated in these institutions, as their fathers were before them; and they are bringing up their sons in the same tradition.

It is no coincidence that these schools are the most expensive in the country. It is this expensiveness which keeps them exclusive by ensuring that only the sons of the wealthiest ten thousand can go there, and it is of course among this ten thousand that the great majority of our leading Conservatives are to be found.

It is ironical to consider that Eton was founded in the fifteenth century under a Royal charter, for pupils who were "apt for study, and of good morals", and also "Pauperes et Indigentes" (i.e., the poor and needy). Harrow was also originally a charitable institution:

<sup>1</sup> *Eton College Chronicle*, October 5th, 1938.

"Harrow, like Rugby, was thus founded for the free education of the children of the district, as well as of the founder's kin; but as these schools grew fashionable, every subterfuge of dishonesty, all possible disingenuous tactics and chicanery were employed to ignore the spirit whilst keeping the letter of the foundation statutes. If the scholar were required to be 'poor', then, of course, what was meant was that *he* himself was poor, not his parents or friends. On this basis, all the children of our brethren of the upper middle and upper classes can be proved to be in the direst poverty. If the school were intended for the benefit of the *real* indigent of the locality, then . . . the conclusion was arrived at, that any parent of the 'higher classes' might, by long or short residence in the neighbourhood, be qualified to send his son to participate in the founder's bounty. . . . To-day Harrow salves its not over-tender conscience by maintaining a cheap day-school . . . for the benefit of the children of the 'humble parishioners of Harrow'. . . . For the most part, these boys are the sons of tradesmen in the village and its neighbourhood, and they have *no communication* either in school or chapel or in the playing-ground with the boys composing the great school."<sup>1</sup>

Eton and Harrow are heavily endowed, so that the education is even more costly than the heavy fees suggest. Some of their endowment is used to give scholarships, but the scholars, who receive about £200 a year, are exclusively the sons of well-to-do middle-class and even of wealthy families.

Mr. Maurice R. Hely-Hutchinson (M.P. for Hastings) was a King's Scholar at Eton, but was born into a wealthy aristocratic family, and is now himself a banker. The ethics, or even expediency, of subsidising the education of sons of wealthy parents, who can well afford to pay for it, may well be questioned. But Mr. Hely-Hutchinson believes in making the poorest parents pay for the education of their children. In his book, "Capitalism?",<sup>2</sup> he writes, "I would make every man contribute something towards the education of his own children." (This is, curiously enough, one of six dictatorial proposals which he makes for tackling the problem of unemployment.)

<sup>1</sup> Harold T. Wilkins, "Great English Schools", 1925, pp. 126. <sup>2</sup> 1933, p. 52.

Of the other Conservative M.P.s, 23 were educated by private tuition, a very expensive form of education. Another 154 were educated at other public schools, the more expensive schools having the largest quotas. Family tradition plays an important part in deciding which of the public schools their sons should attend. Some parents objected to Eton and Harrow on religious grounds, and educated their sons at Catholic schools.

After the public school, the university. 272 Conservative M.P.s give particulars of their universities. Of these some 188 went to Oxford or Cambridge, and 50 to various provincial and foreign universities. 34 went to the Royal Military and Naval Colleges.

Here again we find our Conservatives receiving great educational advantages, denied to 98% of their fellow countrymen. There is evidence from their writings that in some cases the few years spent at the older universities did something to make their outlook temporarily less conservative, and more liberal and progressive. The great majority achieved no particular academic distinction. A larger number than the average for these universities obtained high academic honours; a larger number than the average obtained only a Pass Degree, which is secured by passing a special examination. This degree which has no parallel at the provincial universities is little more difficult than matriculation; it is, indeed, reserved for those students who are averse to any form of intellectual exercise.

The great majority of our leading Conservatives were able to go to Oxford or Cambridge solely on account of their parents' wealth. Their educational advantages were not in any way dependent on their ability, but on their privileged position in society. A considerable number, though not all, failed to achieve even that standard of intellectual attainment which might be considered to justify the expenditure of some £1,000 in sending them to Oxford or Cambridge. The selection of a group of people on the basis of their wealth is incompatible with selection on the basis of ability. Our Conservative M.P.s are not, indeed, in any mysterious way below the average in intellectual attainments. They are simply a cross-section of our wealthiest class, which, like any cross-section of the population, is mainly composed of men of average ability. It is true that some Conservative M.P.s have been chosen for their great ability, but these are a small minority; wealth and pedigree

are the first considerations. Wealth and pedigree are also often accompanied by a peculiarly scornful attitude to education. Earl Winterton suggests in his book "Pre-War" that his class is "uninterested in intellectual discussion". Mr. M. R. Hely-Hutchinson, M.P., in spite of his education at Eton and Oxford, writes :

"Most men read too many books. For general reading the Bible, especially Ecclesiastes and Proverbs, and Shakespeare, especially Julius Caesar and Henry V, will 'furnish all we need to ask'."<sup>1</sup>

Mr. Hely-Hutchinson is a banker, and in his book, "Capitalism?" he discusses finance, and is much concerned with the problem of the trade-cycle. He concludes the chapter on Finance with this question :

"Can it be that the Industrial Cycle, with its alternations of Prosperity and Depression, with its booms and slumps, with its now too much and now too little to employ our hands, is quite simply the beating of a Transcendent Pulse?"

Mr. Hely-Hutchinson's approach to important questions of the day is not, of course, typical of the whole body of Conservative M.P.s, but it is typical of a considerable section, including at least one member of the Cabinet.

But, then, it is not necessary for all Back-Benchers, or even *all* Cabinet Ministers, to have understanding; loyalty to the "cause" of Conservatism is enough, and there are many occasions when blind loyalty is more appreciated by our rulers than a keen grasp of the situation.

More important than their family origin or education are the careers which the Conservative M.P.s take up. This is the most satisfactory evidence of the social class to which they belong. We have already discussed at some length the great number of company directors in Parliament. Some 181 Conservative M.P.s are company directors at the present time. A further considerable number have spent many years of their lives in directing limited companies; expanding and nursing the family fortunes is the most important occupation for the sons of wealthy families. Managing the family fortune may

<sup>1</sup> Bibliography to "Capitalism?", 1933.

also take the form of managing landed estates. It is impossible to say how many Conservative M.P.s own land, or to discover what proportion devote most of their lives to managing their estates. 20 of our Conservative M.P.s are, however, self-styled landowners and appear to have had no other occupation at least for many years. A study of the wills of Conservative M.P.s suggests that the actual figure is far higher. At least a majority own some land, and probably about 50 or 60 live largely on income from their landed property.

Although the management of the family fortunes is the main past and present occupation of the majority of our Conservative M.P.s, some 200 of them have had, or still have, other occupations. Particulars are available in most cases, though it is impossible to make the figures complete.<sup>1</sup>

We find that 96 Conservative M.P.s have served as officers in the Regular Armed Forces, not counting those who only served during the Great War. The great majority of these—namely 79—were Army officers. 78 Conservative M.P.s are barristers. 16 Conservative M.P.s are ex-Civil Servants, of whom 11 were in the Diplomatic Service.

These professions all have one factor in common: they are all intimately connected with State service. The Civil Service operates the machinery of Government; barristers have a practical monopoly of all important paid positions in the legal system, from Lord of Appeal in Ordinary, High Court or County Court judge down to Stipendiary Magistrate; the officers of our Armed Forces, particularly of the Army, have *de facto* control of the coercive force on which the power of the State ultimately rests.

These professions may be termed “governing-class” professions, both in the sense that their members play some part in governing the country and that they are the chosen professions of the governing class of the country. The wealthy classes in Britain thus exercise a dual control over the Government, not only through their positions in Parliament, but also through their positions in the State services. The system has been ably summed up by a foreign observer:

“The real power of ‘Society’ rests not on any constitutional powers but on its control over the whole machinery of

<sup>1</sup> Out of 415 Government M.P.s only 17 are not included in any category of occupation or family origin in this book.

government. Its influence is decisive in the filling of all the important positions, for most of which only men who belong to it by birth are considered. A Public School and University education is an indispensable condition. . . . The higher official posts fall to the sons of Society, who fill the Foreign Office and the Embassies and Legations and govern the Colonies; but Society understands the art of making talented individuals serve its interests and ideals by taking them up . . . all the important people who represent England abroad belong, by birth or co-option, to Society; the great majority of judges, and law officers, the bishops and higher clergy of the Established Church, the holders of the higher commands in the army and navy are all drawn from its ranks. . . . The important posts in every department of the Public Service all get filled by the younger title-less sons, the nephews, cousins and distant relatives of the aristocracy.”<sup>1</sup>

It is, of course, not true that every barrister, army officer, or member of the administrative grade of the Civil Service is wealthy. The above quotation exaggerates, for it is necessary all the time to recruit considerable numbers of middle-class men into all these professions; but nevertheless a very high percentage of the most important posts are held by members of the wealthiest families.

To the above we should add the calling of the professional politician. In the previous chapter we have discussed a number of important families whose sons have become professional politicians :

“The field is undoubtedly limited to that . . . section of society with private incomes which can thus best afford the risks and economic insecurity of a political career. They are the people who have for long filled the House of Commons just as they have filled the chief posts in the State administration, in the Church, the Services, the professions, and even in business.”<sup>2</sup>

The high percentage of present Conservative M.P.s who have at one time followed one of the governing-class professions stamps them as members of an exclusive section of society. They retire from the Army or Civil Service and stand as

<sup>1</sup> Paul Cohen-Portheim, “England, The Unknown Isle”, 1933, p. 115.

<sup>2</sup> H. R. G. Greaves, “The British Constitution”, 1938, p. 32.



a Conservative for some constituency. Many after a long Parliamentary career again take up responsibilities in the State service. Thus if we examine the causes of by-elections since 1931 we find that, apart from deaths and successions or elevations to the peerage, many were due to resignations. In seven cases Conservative M.P.s were appointed to be judges, including the Lord Justice Clerk in Scotland and a Judge in India; three were appointed stipendiary magistrates; others were appointed to be, Governor of the B.B.C., Chairman of the Unemployment Assistance Board, Governor of Bombay, Governor of Madras, Governor of Burma, and Governor-General of Canada. Thus, Sir Malcolm Barclay-Harvey (M.P. for Kincardine and Western) has been made Governor of South Australia. In anticipating the appointment the *Evening Standard* wrote :

“ Sir Malcolm is 49 years old and the Laird of Dinnet in Aberdeenshire, where he has 14,000 acres. . . . Recently he was a possible choice for the deputy chairmanship of Committees in the House of Commons. He missed that £1,500 a year job; now he will get £5,000.”<sup>1</sup>

Conservative M.P.s are promoted to these positions by Ministers who are responsible for these appointments to the House of Commons; that is, to the Conservatives themselves, from among whom the appointments are made. It is an illustration of the way in which it is possible for the Conservative Party while in power to fill the most important offices with staunch Conservatives. The judges, bishops, leading civil servants, generals, admirals and so on, are all appointed on the advice of Ministers who are the leading members of the Conservative Party.

All the groups of Conservative M.P.s which we have mentioned overlap considerably. Many of the ex-soldiers are big landowners. Other ex-soldiers are now directors of public companies; for example, Col. H. W. Burton (Conservative M.P. for Sudbury) is director of Amalgamated Gowns, Grosvenor House (Park Lane), London and Southern Super Cinemas, etc.; Major H. A. Procter (Conservative M.P. for Accrington), is director of Capitol Film Corporation and the Red Tower Lager

<sup>1</sup> *Evening Standard*, March 1st, 1939.

Brewery; and so on. At least 36 of the ex-army officers are now company directors.

The Conservative control of the Armed Forces is a matter of particular importance. It is a popular illusion that our Armed Forces are "non-political". The very high percentage of ex-Army officers in Parliament suggests, on the contrary, that the Conservatives regard the Armed Forces as a fine training-ground for their politicians.

The truth is not that the Armed Forces are non-political, but that no politics are allowed except Conservative politics. The Incitement to Disaffection Act was passed not in order to keep politics out of the Army, but to ensure that Tory politics alone should be propagated in the Army. Conservative officers also understand only too well how to use military law to prevent the spread of Left-Wing ideas among the rank and file.

Major-General J. F. C. Fuller, discussing the British Army, writes :

"It is monastic in character, an army apart from the nation and walled-up within an archaic discipline. In a way an aristocratic caste founded upon ancient tradition. There can be no question that for a century now our regimental officers have come from . . . the aristocracy and upper middle class. They are men of good birth, of honour, and were in former days, as often as not, men of wealth." <sup>1</sup>

It is armies of this type, controlled by a wealthy aristocratic caste, which have been used time and again in foreign countries against democracy. The most recent example is the civil war in Spain. The rebellion was organised by the officer caste, supported by the wealthy landowners and industrialists of Spain. It is only natural that the Conservative British Army should show its sympathies with the rebellion. The rôle of the Spanish army was described as follows in the *Journal of the Royal United Services Institute* in an unsigned article, which is apparently an editorial :

"Armies in general tend to be conservative and patriotic bodies, anxious to preserve the prestige and unity of their country, and the Spanish army is no exception. The rapid deterioration of Spain under the Republic had alarmed the

<sup>1</sup> "The Army in My Time", 1935.

bulk of the officers and many of the more intelligent and patriotic men in the ranks. If Spain was to be preserved, the army alone seemed to be in a position to do it. The Moroccan garrisons, under the leadership of General Franco, were the first to raise the standard of revolt.”<sup>1</sup>

We should remember that it is not so many years ago that a section of the British Army organised a similar, if less successful, rebellion in Ireland at the behest of leading Conservative politicians, to prevent the passage in Parliament of the Irish Home Rule Bill. The analogy is close :

“ Sir Edward Carson’s Ulster volunteers, equipped with German rifles, the first rebel army on British territory for a century and a half, were faced by a Government which, not unlike the Spanish Government of 1936, could not rely on the regular forces and perhaps would be unable to deal with a mutiny within their ranks.”<sup>2</sup>

There are Conservative M.P.s in Parliament and in the Cabinet<sup>3</sup> who supported the Curragh rebellion at the time. Earl Winterton, for example, proudly admits this in his autobiography. Ex-soldiers, like Captain Victor Cazalet (Conservative M.P. for Chippenham) and Sir Arnold Wilson (Conservative M.P. for Hitchin) are among General Franco’s most ardent supporters in the British House of Commons to-day.

The Diplomatic Service and Foreign Office are run by the same people. A survey for the period 1851 to 1929 shows that :

“ 60% went to the 11 most exclusive schools. Of the remaining 40% well over half attended the lesser public schools, received a military or naval education or were educated privately or abroad. . . . Their members are drawn . . . to the extent of 86% from the aristocratic, rentier, bureaucratic, and professional classes. . . . The unchallengeable conclusion that emerges . . . is that the British Foreign Office and Diplomatic Service has been a preserve for the sons of the aristocratic, rentier and professional classes.”<sup>4</sup>

<sup>1</sup> November, 1936.

<sup>2</sup> H. R. G. Greaves, “ The British Constitution ”, p. 198.

<sup>3</sup> December, 1938.

<sup>4</sup> R. T. Nightingale, “ The Personnel of the British Foreign Office and Diplomatic Service, 1851-1929 ”, Fabian Tract 232.

The support of these services for a Conservative foreign policy is always assured.

The control of the State services by wealthy Conservative families guarantees them a great measure of political power, whether or not they possess a Parliamentary majority. We may say, in fact, that the power of the Conservatives depends on their control both of Parliament and of the State services. Both are still controlled by a narrow, wealthy class, who are but a tiny minority of the community.

The extensive representation of the "governing-class professions" among Conservative M.P.s may be contrasted with the meagre representation of "middle-class professions". The following table shows the representation among the Conservative M.P.s of the more important middle-class professions :

Solicitors . . . . .	10
Journalists . . . . .	15
Doctors . . . . .	9
Accountants . . . . .	8
Schoolmasters . . . . .	4
Academic (various) . . . . .	6
Architects . . . . .	2
Dentists . . . . .	1

There are, for example, about as many doctors in the community as company directors. The doctors have 9 representatives among Tory M.P.s, the directors 181. The brewing industry alone is better represented than the medical profession. There are many more schoolmasters in the community than army officers, but the schoolmasters have a representation of 4, the Army officers of 79. There are far more scientists, university professors, and lecturers than higher civil servants, but the latter are more than twice as well represented. The whole of the middle-class professions, including journalists, doctors, solicitors, university staffs, architects, dentists, etc., together are little better represented among our Conservative M.P.s than the insurance companies.

Even the figures we give really overestimate the representation of our middle-class professions, for we include among the doctors some who do not practise; among the journalists and solicitors men who have become company directors. Engineers,

of whom there are 12, have not been included, as they have now almost all become directors of important companies.

In relation to the numerical strength of these middle-class professions in the community, their representation among Conservative M.P.s is not indeed too small. It is only in relation to the extensive representation of company directors, ex-military men, barristers, ex-civil servants, landowners, etc., that the middle-class representation appears to be inadequate. The middle-class professional men are the country's experts in a broad sense. The above figures show only how the representation of expert opinion and knowledge is sacrificed by the Conservative Party to the representation of great wealth.

Even more significant is the fact that employees of any kinds are hardly found at all, while employers occupy the majority of the Conservative seats in Parliament. Over 90% of the occupied population in Britain (excluding housewives) are employees of one kind and another. These employees may be manual workers, office workers, salesmen, works' foremen or superintendents, or technical experts of a hundred and one different kinds. They make up the great body of British people. These employees are not to be found among the Conservative M.P.s; only their employers are to be found. The Conservative Party is indeed exclusive, excluding entirely members of nearly all the main occupations from becoming Conservative Members of Parliament.

The average Conservative voter, even the ordinary member of the Conservative Party, has little or no say in deciding Conservative policy. Can we be surprised at the lack of enthusiasm at Conservative Party conferences? Mr. Peter Howard, who was a delegate to the Scarborough conference of the Conservative Party in 1987, compares it with the Bournemouth conference of the Labour Party, which he attended on behalf of the *Sunday Express* :

"Make no mistake. At these annual conferences the Socialists have the Tories beaten. Bournemouth was alive. Scarborough was dead. At Bournemouth almost every Labour M.P. and every Trade Union leader turned up. Not 5% of the 370 Tory M.P.s went to Scarborough. Bournemouth—first-rate oratory. Scarborough—second-rate speeches. . . . Mr. Attlee, the Socialist chieftain, sat on the

platform listening to almost every speech. Mr. Chamberlain was only present at Scarborough while one speech was being delivered. That was the speech he made himself.

"While one Tory delegate was speaking I counted 16 members of the platform party doing crossword puzzles. At Bournemouth every speech was heard with interest. At Scarborough, when the less important delegates were talking, their words were lost in the tramp of feet moving out of the conference hall to the bar.

"At Bournemouth, plenty of controversy. . . . At Scarborough, no controversy. While I was there not a single dissentient vote was cast against any of the resolutions. *Does this mean that every Tory delegate thought alike on every subject? No. It means that no subject about which Tories differ was allowed to be discussed at the Tory conference. The Tories have a secret committee who turn down controversial resolutions submitted to them.*

"From Bournemouth the delegates went away enthusiastic. From Scarborough the delegates were enthusiastic to get away."<sup>1</sup>

The Conservative rank and file is excluded from the real Conservative circles. The expensive London clubs where Conservative policy is often decided would not admit to membership most of the Conservative Party supporters, even if they could afford it. More than half the Conservative M.P.s are, for example, members of the Carlton Club, which has an entrance fee of £40 and an annual subscription of 17 guineas. Other M.P.s are members of the City of London Club (for merchants and bankers, etc.), which has an entrance fee of 100 guineas and an annual subscription of 15 guineas. Almost all the Conservative M.P.s belong to such expensive clubs, the majority to at least two, apart from provincial clubs, and a yachting or golf club. The majority of London clubs to which they belong cost from £12 to £18 a year, in addition to heavy entrance fees.

These clubs are simply a part of the exclusive social life of wealthy people. This social life does much to cement together the governing class, which really decides Conservative policy. The life of this governing class has in every respect the stamp of an oligarchy. We have already discussed the peerage and the

<sup>1</sup> Peter Howard, "The Tories have a Lot to Learn", *Sunday Express*, October 10th, 1937.

significance of titles, and shown how these titles are the insignia of an oligarchy. But there is a class considerably wider than the peerage whose social activities, occupations, hobbies, and ideas distinguish them from the great mass of the British people.

At least 100 Conservative M.P.s have as their main hobby either hunting, shooting, or fishing. These are, of course, three of the most expensive hobbies. At least 30 are members of yachting clubs. With the exception of golf, probably played by the majority (75 give it as one of their pastimes), their pastimes are in very few cases those of the people.

Nearly half the Conservative M.P.s have two houses, and many have three. Immense sums are spent on entertaining. How many respectable middle-class Conservatives, let alone Conservative working-men, should we find at the great receptions held at Londonderry House?

The social philosophy of a man is largely that of the people among whom he moves. The Conservative M.P. associates with directors of limited companies, with the equally wealthy members of his own exclusive clubs, with his hunting, shooting, and fishing friends. It is this society which produces his Conservative philosophy. His mode of life makes it unlikely that he will understand the real problems of ordinary people; his political ideas must reflect the interests of the class from which he comes.

## CHAPTER VIII

### *The Tory Right Wing*

"If Spain falls into the hands of Franco, then Gibraltar is threatened, and the transport of French troops from the colonies will be made almost impossible because of the fortified Balearic Islands. When this has happened, Germany will play hell with France in a way that country has never experienced throughout the whole of its history. . . .

"Japan may be counted on to use the opportunity of seizing Hong Kong, and thereby as good as excluding England from the Far East. England will have to swallow whatever Germany and Italy set before her. The whole world is laughing at England in her impotence to-day. She would not have put up with this before 1914. England is trying to overtake Germany and Italy by means of her tremendous rearmament. But we are too far ahead with our armaments to be overtaken."—A lecture by Professor Max Gruen, Nazi authority, reported in the *Manchester Guardian*, April 8th, 1938.

AN appeal to every family in Britain to join in National Service has been made by the Government.

"The country needs your service and you are anxious to play your part", writes Mr. Chamberlain in his "Call to National Service". Every patriotic Englishman to-day is thinking how he can play his part in protecting the British people against both the German war menace and the insidious propagation of the Nazi philosophy. Britain is to-day spending more on armaments than it has ever done in peace time; for Britain and her Empire are in a weaker strategical position than they have been in for a hundred years.

The development of the bombing plane has neutralised many of the advantages which Britain derived from her insular position. Never before has such great effort been necessary to protect the civilian population.

Britain is more than ever dependent for raw materials and food supplies on the safety of the Merchant Navy. During the Great War Germany succeeded in sinking 11 million tons of our shipping with her submarines, although they had to operate so many hundreds of miles from their base that she could rarely use more than 30 submarines at any one time. To-day Germany and her allies, Italy and Japan, have over 270 submarines in commission or in course of construction.

The nation is arming against the threat from Nazi Germany



and her allies. The German Nazis and Italian Fascists have destroyed democracy in their own countries, and are threatening the remaining democratic countries of Europe :

“ . . . Germany is marching with ‘ *Mein Kampf* ’ in one hand and in the other the Sword, for her advance as the new World Power.” <sup>1</sup>

While Germany was still a democratic republic, Britain and the British Empire were safe; we discussed disarmament, not rearmament. The militarism of modern Germany is a characteristic of the particular kind of internal regime.

“ Hitlerite Germany”, writes Wickham Steed, “ or the Third Empire, as it is currently called, represents a challenge to Western liberal civilisation. Few things seem to me of higher moment than the safeguarding of this civilisation and of the principles upon which it has been built up. Of these principles the Nazi ‘ Aryan ’ doctrine and its denial of democratic rule are a direct negation. The issue is now fairly joined between the two incompatible systems and philosophies. Upon the outcome of this contest the fate of European and of Western liberal civilisation may depend.” <sup>2</sup>

In the Great War Germany’s only effective allies were Austria-Hungary and Turkey, both with inconsiderable navies, which were easily prevented from taking any important part in the War. In Europe to-day Germany has two important allies, whose geographical position makes them particularly effective. Italy, with her bombing planes and torpedo boats, can endanger allied shipping in the Mediterranean; Franco Spain and her colonies can not only block the entrance to the Mediterranean, but by supplying bases for German and Italian submarines and aerodromes for bombing planes, can menace the shipping routes along which passes at least 80% of overseas traffic to Britain.

The Government of the day is responsible for the safety of the country. Britain’s safety depends not only on her armed strength, but on her control of strategic positions which ensure the passage of her merchant vessels. She depends also on the strength of her allies; a military or strategic loss suffered by one of Britain’s allies is a loss to her own strength. In this

<sup>1</sup> Goebbels, at Weimar, October 30th, 1938.

<sup>2</sup> Quoted in “ War against the West ”, by Aurel Kolnai, 1938, p. 24.

chapter we shall examine the attitude of Tory M.P.s to the problem of the defence of Britain. The Government is quite openly arming against the menace of Germany—how do our Tories view that menace? Wickham Steed points out that the danger from Germany results from her internal regime—how do our Tories view that regime?

If to-day we look back on some of the utterances of our Conservative politicians, it appears that they have been extraordinarily blind to the growing menace of Nazi Germany. In 1933 Sir Thomas Moore (Conservative M.P. for Ayr Burghs) said :

“ But if I may judge from my personal knowledge of Herr Hitler, peace and justice are the key-words of his policy.” <sup>1</sup>

At that time Sir Thomas Moore even went so far as to advocate a strengthening of the German military machine by returning her old Colonies; in an address to the Unionist Canvassing Corps he “. . . suggested that Germany should be given back her old Colonies in West Africa to give her an outlet for her energies.” <sup>2</sup>

Even in 1934 Sir Thomas Moore was still lulling his audiences into a false sense of security. On February 18th he wrote an article entitled “ Give Hitler a Chance ”, in which he stated, “ I am satisfied that Herr Hitler is absolutely honest and sincere ”. Sir Thomas had, clearly, not read “ Mein Kampf ”, where Hitler says :

“ . . . A definite factor in getting a lie believed is the size of the lie . . . for the broad mass of the people in the primitive simplicity of its heart more readily falls victim to a big lie than to a small one.”

Other Conservative M.P.s also seemed quite blind to the growing war menace, and also to the destruction of democracy in Central Europe, recommending it as an example for us to follow. Sir Arnold Wilson (Conservative M.P. for Hitchin) broadcast his impressions of Germany in 1934; the *Manchester Guardian* commented :

“ This was the most consistent panegyric of the new regime that we have yet heard. Nowhere had Sir Arnold

<sup>1</sup> *Sunday Dispatch*, October 22nd, 1933.

<sup>2</sup> Reported in *Daily Herald*, July 20th, 1933.

Wilson apparently met with one person who was dissatisfied. . . . Points he made were that . . . there was no militarism in Germany. . . . English listeners would perhaps be not strongly impressed one way or another by his conclusion that we should 'study, adapt, and adopt' much of the German method." <sup>1</sup>

Even in 1935, when German rearmament was well under way, Sir Arnold still could not see any likelihood of danger to the Empire :

" His own visits to Germany had given him the impression that there was almost no Great Power with which we were less likely to become involved in war than Germany." <sup>2</sup>

In 1936 leading Conservatives were still proposing to increase Germany's military strength by restoring her Colonies :

" Lord Redesdale said that he was one of those who considered it high time that some arrangement should be made whereby Germany should have some of her Colonial territory restored to her. . . ." <sup>3</sup>

Even after the Munich settlement Sir Arnold Wilson assured us " he did not believe Germany intended to throw down any challenge to Britain and the British Empire ",<sup>4</sup> and in December 1938 repeated that " we should be prepared to consider the return to Germany of some of her former colonies as part of a general settlement ".<sup>5</sup>

When the military occupation of Czechoslovakia by German troops had raised a storm of protest in this country and had disillusioned even supporters of the Munich policy, some Conservatives were still saying that Hitler's policy was no danger to this country. Mr. Annesley Somerville (Conservative M.P. for Windsor) said in the debate in the House of Commons immediately following the annexation of Czechoslovakia, that we should: " let Herr Hitler expand as far as he can in South-East Europe; we shall still have our share of the trade. . . . He will certainly create difficulties for himself and opposition

<sup>1</sup> May 24th, 1934.

<sup>2</sup> *The Times*, May 3rd, 1935.

<sup>3</sup> *Ibid.*, March 26th, 1936.

<sup>4</sup> *Ibid.*, October 12th, 1938, speaking to the " 1912 Club ".

<sup>5</sup> *Ibid.*, December 20th, 1938.

and the more we oppose him the less difficult that opposition will be for him."

Mr. S. S. De Chair (Conservative M.P. for S.W. Norfolk) said in the same debate <sup>1</sup>: "I do not think Herr Hitler means to challenge the dominance of this country."

On February 24th, 1937, an interesting ceremony took place in London at which "a German East African flag, captured in the War, was accepted by the German Ambassador from Sir Claude Hollis, G.C.M.G., C.B.E., on behalf of the Leather-sellers' Company, supported by the Chairman of the Fellowship, Lord Mount Temple".<sup>2</sup>

The Fellowship referred to is the Anglo-German Fellowship. Sir Thomas Moore, M.P., Lord Redesdale, and Lord Mount Temple are all members of this Society:

"The Anglo-German Fellowship is a post-Nazi creation, and more or less replaces the old Anglo-German Society of which Lord Reading was President. This has been in a state of suspended activity ever since the Nazi Revolution. Among the English members are Mr. Ernest Tennant, who is Honorary Secretary, the Marquess of Clydesdale, and several City bankers, including Mr. Samuel Guinness."<sup>3</sup>

The Anglo-German Association existed to foster friendship between Britain and Germany. It included amongst its Vice-Presidents <sup>4</sup> Lord Snowden, Sir Ian Hamilton, Mr. H. A. L.

<sup>1</sup> House of Commons Debate, March 15th, 1939.

<sup>2</sup> "Annual Report", Anglo-German Fellowship, 1936-7. Lord Mount Temple has since resigned the Chairmanship of the Fellowship. The *Evening Standard*, November 19th, 1938, stated:

"Now Lord Mount Temple gives courageously the reason for his resignation. It is, he says, 'a protest against the treatment of the Jews by the German Government'.

"The reason in his case is doubly justified. His first wife was a daughter of Sir Ernest Cassel, the financier and philanthropist.

"Sir Ernest, who became a naturalised British subject in 1878, was born in Cologne of Jewish descent.

"Were Lord Mount Temple a German subject, this non-Aryan connection would be enough to make him ineligible for chairmanship of the Deutsch-Englische Gesellschaft in Berlin."

Lord Mount Temple has only resigned from his position as chairman, and remains a member of the Fellowship.

We note from the Press (e.g., *Evening Standard*, January 13th, 1939) that "20 of the 900 members of the Fellowship have resigned in sympathy" with the protest, but have been unable to trace any statement from the Fellowship or by these members.

<sup>3</sup> *Evening Standard*, November 28th, 1935.

<sup>4</sup> *Manchester Guardian*, October 6th, 1932. A number of members of the old Association are also members of the Anglo-German Fellowship, e.g., Sir Josiah, now Lord, Stamp.

Fisher, Lord Jellicoe, and so on. Among its members were John Galsworthy, Viscount Cecil, H. G. Wells, Sir Henry Wood, Sir Archibald Sinclair. This Society was dissolved, both because it was not favoured by the Nazis and because many of the members disliked Hitler's methods.<sup>1</sup>

The aims of the Anglo-German Fellowship, which has replaced the old Association, are described in the Fellowship's Annual Report : <sup>2</sup>

" It is rightly stated that the work of the Anglo-German Fellowship is divorced from party politics; its principal purpose is to promote fellowship between the two peoples, but however much such a purpose is non-political its fulfilment must inevitably have important consequences on policy."

The sister society in Germany entertains English members and helps them "to understand the movement which is refashioning life in Germany and to see the reforming forces at work in whatever sphere of public life . . ."

Mr. Elwin Wright, when secretary of the Fellowship, told a *News Review* reporter in an interview :

" It isn't numbers that matter. We want ' Names ', otherwise how can we have any influence with the Government or the Foreign Office " .<sup>3</sup>

The *News Review* in the same article described the membership as ". . . distinguished representatives of British Big Business, who claim Hitler has an ' unanswerable case ', who plan to set up a lavishly equipped Club in London at which Nazi-ism can be preached, Ministers of National-Socialism entertained, fêted " .<sup>3</sup>

Lord Londonderry begins the Preface to his book "Ourselves and Germany" with a statement of his position :

" For rather more than five years, and particularly since I left the Air Ministry in 1935, I have pleaded for a better understanding of Germany and her problems by this country." <sup>4</sup>

<sup>1</sup> *Daily Herald*, April 9th, 1935.

<sup>2</sup> " Annual Report ", 1936-7, p. 7.

<sup>3</sup> *News Review*, Vol. I, No. 2, January 23rd, 1936.

<sup>4</sup> Marquess of Londonderry, "Ourselves and Germany", 1938, Preface Penguin Edition, p. vii.

The Nazi and Fascist regimes have cut off their own people from communion with the peoples of other nations. Societies for scientific and social studies, peace societies, organisations of all kinds have reported the dissolution of their German branches and fellow societies since the Nazis obtained power. Any contact with the outside world which is not controlled by the Nazi Government is forbidden. The Nazi Government must thoroughly approve of the Anglo-German Fellowship, for among the leading Nazis who have been guests of the organisation are such famous figures as: Herr von Ribbentrop<sup>1</sup> (on several occasions); Field-Marshal von Blomberg;<sup>1</sup> Herr von Tschammer und Osten,<sup>1</sup> President of the German Sports Associations; Dr. Ernst Woermann,<sup>1</sup> Counsellor of the German Embassy; H.R.H. the Duke of Saxe-Coburg and Gotha;<sup>1</sup> Freiherr von Hadeln,<sup>2</sup> S.S. Adjutant to Herr Himmler head of the Nazi Secret Police and of the S.S. (Black Guard).

Many members of the Anglo-German Fellowship have in turn been guests of leading Nazis. Lord Londonderry has "frequently visited Germany where he has previously been the guest of General Goering and . . . Hitler. Herr von Ribbentrop . . . has also been the guest of Lord Londonderry at his Irish seat, Mount Stewart, County Down."<sup>3</sup>

"The Marquess of Londonderry will be one of the guests at General Goering's summer residence . . . when Signor Mussolini is entertained there at the conclusion of the German manoeuvres."<sup>4</sup>

Members of the Fellowship who have met Hitler include Lord Mount Temple,<sup>5</sup> Sir Barry Domville,<sup>6</sup> Lord Brocket,<sup>7, 9</sup> Lord Stamp,<sup>8, 9</sup> Lord McGowan,<sup>9</sup> and Lord Lothian.<sup>10</sup>

Fellowship between the two peoples, which it is the express object of the Society to foster, is seen to be largely fellowship between leading Nazis and a section of leading Conservatives and big-business men.

The reason for the Nazis' approval of the Anglo-German Fellowship is not difficult to discover. In the first place, although

<sup>1</sup> "Annual Report", 1936-7.

<sup>2</sup> *Daily Sketch*, September 21st, 1937.

<sup>3</sup> *Sunday Times*, September 26th, 1937.

<sup>4</sup> "Annual Report", 1936-7.

<sup>5</sup> *Daily Telegraph*, September 12th, 1938.

<sup>6</sup> *Evening Standard*, September 12th, 1938.

<sup>7</sup> *Monthly Journal*, August 1938.

<sup>8</sup> *Observer*, November 28th, 1937.

<sup>9</sup> *Ibid.*, September 16th, 1938.

<sup>10</sup> *Ibid.*, April 25th, 1939.

the Fellowship is not itself officially committed to support for the Nazis' external or internal policy, it provides a platform in this country from which various Nazi leaders can plead their cause and gain sympathy for their methods. Items taken at random from the "Annual Report" (1936-7) and from reports in the Press include meetings arranged for the following leading Nazis :

March 17th, 1937, Baron von der Ropp spoke on "German Church Dispute".<sup>1</sup> On another occasion he said, "Herr Hitler has given the Church a free hand. He is a very religious man himself."<sup>2</sup>

Again on January 19th, 1939, Herr Ziegfeld spoke on "Christianity in Germany".<sup>3</sup>

On October 19th, 1938, General Tholens, deputy-chief of the German Labour Service, who came "specially from Berlin" for the purpose, spoke with a film on the Labour Service.<sup>4</sup> The Director of the Strength through Joy Movement;<sup>5</sup> Hitler Youth Leaders<sup>5</sup> and so forth have all attended meetings and have been entertained by the Fellowship and privately.

The sister association in Germany receives consistent support from the Nazis. English members attending meetings in Germany have been entertained by Hitler, Goering, and other leaders. The head of the German Association, the Duke of Saxe-Coburg-Gotha, is, needless to say, an ardent admirer of the Nazis.

The names of members of the Anglo-German Fellowship are freely used in Germany to win support for the Nazi regime. In 1938, on the anniversary of the Nazi "revolution", the *Berliner Tageblatt* published "messages of congratulation from Admiral Sir Barry Domville, former Director of British Naval Intelligence, and the Marquess of Londonderry",<sup>6</sup> now chief commissioner of the Civil Air Guard.<sup>7</sup>

Von Ribbentrop has himself acknowledged the help which the Anglo-German Fellowship has given to Germany in the diplomatic field :

"When Hitler's Reich was formed at the beginning of

<sup>1</sup> "Annual Report", 1936-7.

<sup>2</sup> *Sunday Times*, February 28th, 1937.

<sup>3</sup> *Monthly Journal of Anglo-German Fellowship*, November-December 1938 (meeting announced).

<sup>4</sup> *Monthly Journal*, November-December 1938.

<sup>5</sup> *Ibid.*, August 1938.

<sup>6</sup> *Daily Telegraph*, January 31st, 1938.

<sup>7</sup> *Ibid.*, August 13th, 1938.

1938 there was but little contact between this country and the New Germany. A handful of Englishmen and a handful of Germans made up their minds that new contact should be established. . . . The pioneer work had also made ultimately possible—if not in a direct way, then, surely, indirectly—the recent visit to Berlin by Lord Halifax.”<sup>1</sup>

The Nazis are now using the fact that they have in this country open supporters who are in favour of returning Germany's former Colonies, to bring pressure on the British Government. We should note that the names they are now using are those of Conservative M.P.s and Tory peers who made these statements and allow them to be repeated at a time when the Government is still officially opposed to the cession of Colonial territory. The Government can blame only itself if its firmness on this question is judged by the fact that it allows its own supporters to urge, not only here, but in Germany, the handing over of Colonies :

“ Lord Redesdale, father of Sir Oswald Mosley's wife and of Miss Unity Mitford, Hitler's friend, is one of three well-known British men mentioned by the German newspaper *12-Uhr Blatt* to-day as contributors to an article favouring the return of Germany's former Colonies.

“ The others are described as Sir Ernest Bennett, National-Labour M.P. for Central Cardiff and a former Assistant Postmaster-General, and ‘ Professor ’ William Harbutt Dawson, of Oxford.”<sup>2</sup>

“ The Berlin newspaper *Zwoelf-Uhr Blatt* to-day gives prominence to a statement by Lord Arnold urging Britain to take the initiative in settling the colonial question.

“ The statements, says the newspaper, are parts of a speech by Lord Arnold in the House of Lords in February 1938, and are now published with his consent.—British United Press.”<sup>3</sup>

A few days later came another report :

“ *Berlin, February 9.*

“ Sir Oswald Mosley is the latest contributor to the campaign of the *12-Uhr Blatt* for the return of former German Colonies and against the Jews.”<sup>4</sup>

<sup>1</sup> *The Times*, December 3rd, 1937.    <sup>2</sup> *Evening Despatch*, February 1st, 1939.

<sup>3</sup> *Evening Standard*, February 2nd, 1939.    <sup>4</sup> *The Times*, February 10th, 1939.



Before we proceed to describe the Anglo-German Fellowship and its membership, it must be emphasised that it is only one of a whole series of similar organisations. It is undoubtedly the most important, but some others must be mentioned to give a correct picture. There are, for example, the Anglo-German Kameradschaft, Anglo-German Circle, Anglo-German Academic Bureau :

“ Herr von Ribbentrop . . . will open to-day an exhibition of German books of 1937 at the Anglo-German Academic Bureau.”

Later the report mentions books from Great Britain and adds :

“ A translation of Mr. A. K. Chesterton’s ‘Portrait of a Leader’, under the title, ‘Mosley, Geschichte und Programm des englischen Faschismus’, with a lurid jacket incorporating the Union Jack, is, perhaps, less justifiably included.”<sup>1</sup>

More important than these organisations is, however, “The Link” :

“ . . . Admiral Sir Barry Domville, friend of Herr Hitler, Herr von Ribbentrop, Herr Himmler, and other leaders of the new Germany . . . has set about creating friendship, personal, individual friendship. . . . Hence ‘The Link’. The Link has been forging for many months. Twice Sir Barry Domville has been Herr Hitler’s guest. Recently he went chamois shooting for a week in the company of Herr Himmler, head of the S.S. detachments.

“ Result—not only has the Link organisation begun to spread in this country but a corresponding movement has been founded in Germany.

“ The Link is . . . Sir Barry Domville’s own creation. He is its founder and first Chairman. ‘In England’, he told me yesterday, ‘there are a large number of Anglo-German societies. . . . But there’s no co-ordination. . . . That is why some of us came to the conclusion that a really popular organisation was needed. . . . Already we have nearly a thousand direct members, and branches have been formed at Birmingham, Southend, Chelsea, and Bayswater. Others

<sup>1</sup> *The Times*, November 15th, 1937.

are about to be formed in Belfast, Croydon, Maldon, Oxford, Aberdeen, and Cape Town.

" 'We hope to enrol Germans in London and other parts of the country. They will meet English members at social gatherings' . . . lectures, film shows.

"... 'Herr Hitler himself is very keen on the movement.' " <sup>1</sup>

Admiral Sir Barry Domvile was Assistant-Secretary, Committee of Imperial Defence, 1912-14, Director of Naval Intelligence, 1927-30, Vice-Admiral commanding War College, 1932-34, and only retired in 1936. He is Chairman of "The Link".

The Vice-Chairman of "The Link" is Professor Sir Raymond Beazley, and the members of its Council are Lord Redesdale, Lord Sempill, C. E. Carroll, Professor A. P. Laurie, A. E. R. Dyer, and Archibald Crawford, *all* members of the Anglo-German Fellowship.<sup>2</sup> Mr. C. E. Carroll is editor of the *Anglo-German Review*, which is the official organ of "The Link",<sup>3</sup> is consistently pro-Nazi in its opinions, and is largely supported by German advertisers. The *Anglo-German Review* joins Hitler and the German Press in attacks on leading British politicians. Winston Churchill is described as, "unquestionably the biggest war-monger in the world to-day".<sup>4</sup> Mr. Anthony Eden is described as, "probably the most unfortunate choice of a Foreign Secretary within living memory".<sup>5</sup>

Our democratic institutions are attacked. Thus, discussing the Munich crisis, Sir Barry Domvile wrote in this journal:

"There was one piece of good fortune. Parliament was not in session. The discussion of foreign affairs at such a time on party lines in the House of Commons is a grave danger to peace." <sup>4</sup>

Under the heading "Beautiful Thoughts", they wrote:

"As an inspiring thought for the month we commend . . . the following:

'I cannot believe Europe will set itself on fire to cook a rotten egg', Signor Mussolini." <sup>4</sup>

The "rotten egg" referred to is Czechoslovakia. Abuse is poured on Dr. Benes, the man who for many years led Czecho-

<sup>1</sup> *The Observer*, November 28th, 1937.

<sup>2</sup> *Anglo-German Review*, December 1938 and Annual Report, A.G.F. 1936-7.

<sup>3</sup> *Anglo-German Review*, November 1938.

<sup>4</sup> October 1938.

<sup>5</sup> May 1938.

slovakian democracy while all other democracies in Central Europe had foundered :

“ So exit Dr. Benes, High Official of the Grand Orient Lodge of Freemasonry, Patron of the ‘ Anti-God ’ Congress, and outpost of Bolshevism ”.<sup>1</sup>

“ The second difficulty was Czechoslovakia, a tumour in the heart of Europe ruled by the Communist Benes, which required a surgical operation to prevent it poisoning the life-stream of Europe.”<sup>2</sup>

The *Anglo-German Review* even boasts of military secrets which Germany has learnt from Czechoslovakian fortifications :

“ Meanwhile, Germany has learnt much from the surrendered Czechoslovak fortifications, of which some were built by French engineers with experience of the Maginot Line, and, thanks to that knowledge the Siegfried Line is likely to be the strongest in the world. . . .”<sup>3</sup>

In December 1938 the paper was supporting Germany’s demands on Lithuania :

“ No reasonable observer will suggest that the present status of Memel, which separates from the Reich an entirely German district, is satisfactory or fair.”<sup>4</sup>

America is sneered at for well-merited advice during the Munich crisis :

“ Now the American Press says that Hitler gave Great Britain a rap over the knuckles—well, he certainly could not have done that to Uncle Sam ; he was facing the wrong way. He could only have gotten a kick in the pants ! ”<sup>5</sup>

Lord Baldwin is attacked for his appeal for the Jewish and other refugees :

“ It is not the first time Lord Baldwin has shown a lack of understanding of the mentality of other countries. His announcement that the frontier of Britain lay on the Rhine will not be forgotten abroad.”<sup>4</sup>

<sup>1</sup> Sir Barry Domville, October 1938.

<sup>2</sup> Prof. A. P. Laurie, December 1938. At the head of the article he is described as “ famous scientist, pedagogue, student of human affairs ”.

<sup>3</sup> November 1938.

<sup>4</sup> December 1938.

<sup>5</sup> Sir Barry Domville, October 1938.

The *Anglo-German Review* has published articles by experts on limiting both liberty of speech and liberty of the Press in this country (see December 1938). Major-General Sir Wyndham Childs wrote an article suggesting ways in which the law of criminal libel might be used to limit attacks on the dictators. Democracy is openly attacked in the paper. Prof. A. P. Laurie writes on "Where Democracy has Failed".<sup>1</sup> Discussing Hitler's plebiscite in Austria, the paper says, "In face of these figures, talks of democracy becomes meaningless".<sup>1</sup>

The League of Nations is attacked :

"The whole conception of a League . . . was the product of the 'intellectuals' who are the curse of the United States and Britain".<sup>2</sup>

Professor A. P. Laurie, who is now over seventy-seven years of age, has spent a long life largely in academic and intellectual surroundings; for twenty-eight years he was Principal of the Heriot-Watt College in Edinburgh.

Many Conservative M.P.s have sent messages of support for the *Anglo-German Review* itself, or for the policy of "appeasement,"<sup>3</sup> including :

Mr. Geoffrey Hutchinson;  
Mr. Thomas Magnay;  
Sir Henry Page Croft;  
Sir J. Wardlaw-Milne;  
Miss Thelma Cazalet;  
Sir Thomas Moore;  
Sir Ernest Bennett;  
Capt. A. H. M. Ramsay;  
Sir Frank Sanderson;  
Sir J. Smedley Crooke,

and many members of the House of Lords.

The *Anglo-German Review*, the official organ of "The Link", is printed and published in Great Britain from Link House, Strand, London, W.C.2, headquarters of "The Link".

While Britain is mobilising its forces against the Nazi menace, leading Conservatives are members of, and help to subsidise, societies which provide a platform in this country for

<sup>1</sup> April 1938.

<sup>2</sup> Prof. A. P. Laurie, article, "The Back of Hitler's Mind", December 1938.

<sup>3</sup> October and November 1938.

Nazi policy : the most important of these organisations is the Anglo-German Fellowship. At meetings of the Anglo-German Fellowship leading Nazis advertise the merits of Germany's internal and foreign policy; the Society recommends and advertises the writings of Nazi politicians; it shows and advertises Fascist films; it arranges a "German Educationalist" to address teachers in this country; it arranges invitations for its members to attend the Nazi Congress at Nuremberg. The organisation boasts of:

"... the far-reaching character of the Fellowship, with membership spread all over Great Britain; although there are nominally no Branches, yet groups of members in various parts of Great Britain work effectively in their particular regions."<sup>1</sup>

Three Conservative M.P.s are actually members of the Council of this society; many more are individual members.

#### CONSERVATIVE M.P.S CONNECTED WITH THE ANGLO-GERMAN FELLOWSHIP

##### *M.P.*

##### *Constituency.*

##### *Members of the Council of the Anglo-German Fellowship.*

Mr. Norman J. Hulbert.	Stockport.
Lt.-Col. Sir Thomas Moore.	Ayr Burghs.
Lt.-Col. Sir Assheton Pownall.	Lewisham East.

##### *Individual Members of the Anglo-German Fellowship.*

Lt.-Col. J. Sandeman Allen.	Birkenhead West.
Lt.-Comm. Peter Agnew.	Camborne, Cornwall.

The Hon. W. W. Astor,

(*Parliamentary Private  
Secretary, Home Office.*)

	Fulham, East.
Sir Ernest Bennett.	Cardiff Central.
Sir Robert Bird.	Wolverhampton West.
Comm. R. T. Bower.	Cleveland, Yorks.
Mr. Clement Davies, K.C.	Montgomery.
Sir Robert Gower.	Gillingham.
Mr. Loel Guinness.	Bath.
Mr. H. Cobden Haslam.	Horncastle.

<sup>1</sup> *Anglo-German Fellowship, Monthly Journal*, August 1938.

Mr. Norman J. Hulbert.	Stockport.
Wing-Comm. A. W. H. James.	Wellingborough.
Maj.-Gen. Sir Alfred Knox.	Wycombe.
Lt.-Col. Hon. G. K. M. Mason.	Croydon North.
Lt.-Col. Sir Thomas Moore.	Ayr Burghs.
Lt.-Col. Sir Assheton Pownall.	Lewisham East.
Major Ralph Rayner.	Totnes, Devon.
Sir Alexander Russell.	Tynemouth.
Mr. Stuart Russell.	Darwen, Lancs.
Sir Frank Sanderson, Bt.	Ealing.
Sir Louis Smith.	Hallam, Sheffield.
Major the Hon. J. J. Stourton.	Salford South.
Rear-Admiral Sir Murray Sueter.	Hertford.
Lt.-Col. Edward T. R. Wickham.	Taunton, Somerset. <sup>1</sup>

The following M.P.s have associated themselves with "The Link":<sup>2</sup>

Sir John Smedley Crooke.	Deritend, Birmingham.
Capt. A. H. M. Ramsay.	Peebles and Southern.

The representation of the Anglo-German Fellowship in the House of Lords is even more extensive. It includes:

Lord Aberdare;  
 Earl of Airlie;  
 Lord Arnold, Member of the Council of the Fellowship;  
 Lord Barnby, ex-Conservative M.P.;  
 Viscount Bertie of Thame;  
 Lord Brocket, ex-Conservative M.P.;  
 Marquess of Carisbrooke, grandson of Queen Victoria;  
 Lord Decies;  
 Lord Eltisley, ex-Conservative M.P. and member of the Council of the Fellowship, father-in-law of Sir Gifford Fox, M.P.;  
 Viscount Esher;  
 Earl of Galloway;  
 Earl of Glasgow, brother-in-law of Sir Thomas Inskip, M.P.;

<sup>1</sup> According to the "Annual Report", 1936-7.

<sup>2</sup> A letter to *The Times* (October 12th, 1938) from "The Link", Link House, Strand, London, W.C.2, in praise of the Munich agreement is signed by these two M.P.s and many members of the Anglo-German Fellowship.

Earl of Harrowby, ex-Conservative M.P.;  
Lord Hollenden, Member of the Council of the Fellowship;  
Lord Hutchison of Montrose, Paymaster-General 1935-8,  
ex-Liberal-National M.P.;  
Marquess of Londonderry, ex-Conservative M.P., ex-Secretary of State for Air, etc.;  
Marquess of Lothian, Parliamentary Under-Secretary, India Office, 1931-2;  
Lord McGowan;  
Earl of Malmesbury;  
Viscount Massereene and Ferrard;  
Lord Mottistone;  
Lord Mount Temple, until recently President of the Fellowship—also Chairman of the Anti-Socialist Union, ex-Conservative M.P., one-time Conservative Whip, Under-Secretary of State for War, and Minister of Transport.  
Father-in-law of A. S. Cunningham-Reid, M.P.;  
Viscount Nuffield;  
Lord Redesdale, father-in-law of Sir Oswald Mosley;  
Lord Sanderson;  
Lord Sempill;  
Lord Stamp;  
Duke of Wellington.

Other aristocratic families are also represented. The Hon. Walter Runciman, son and heir of Viscount Runciman who is now in the Cabinet, is a member. Lord Halifax, now Foreign Secretary, has been a guest of the Society.<sup>1</sup>

It is apparent from many of these names that great land-owners and leading directors in British industry are among the supporters of this organisation. Below we discuss in greater detail the standing in British industry of the members of the Anglo-German Fellowship. These names do not simply indicate the importance of the Anglo-German Fellowship, whose activities are limited in scope; rather do they show the section of British society which desires to befriend the Nazis and for whom the Fellowship provides a suitable meeting-place.

Those politicians who *openly* support Nazi Germany are only a minority. But the Government's "appeasement" policy has shown that they have dominated the Government.

<sup>1</sup> December 2nd, 1937, see "Annual Report".

The bulk of Conservative M.P.s have supported the Government's policy, and have thus, in fact, supported the line of this minority. There are about 20 Conservative M.P.s who have abstained from voting for the Government on this question. There are others who are more concerned to protect the Empire, than to curry favour with the Fascist enemy.

Unfortunately, however, there are many Conservative M.P.s, apart from those listed above, who support other manifestations of Fascism. Germany's strength to-day rests not simply upon her armaments, but upon her strategical position. Germany depends to-day upon her allies, Italy, Japan, and Franco-Spain. Sympathetic support for Nazi Germany among our Conservative politicians is often accompanied by support for Germany's allies.

Japan, also, finds defenders among the same people. Viscount Esher, a member of the Anglo-German Fellowship :

"... discussed the 'justifiable aggression' of Japan in China and said that it was not justifiable according to British standards but it was the business of the League to recognise that its members were in different stages of moral and cultural development. . . . Japan needed a large trading area to support her industrial population and naturally turned her eyes towards the vast undeveloped space of North China." <sup>1</sup>

Another organisation in this country is the "Friends of Italy" :

"The recent Anglo-Italian Pact has been received with particular satisfaction in this country by the movement known as 'The Friends of Italy'. Sir Harry Brittain, the Hon. President, is now the moving spirit. . . . Preparations are now being made for the formation distinct from but affiliated with the Friends of Italy of an Anglo-Italian political and economic Council. . . . Sir Harry Brittain has been keeping in touch with His Excellency Count Grandi, whose advice and support will prove invaluable in the development of any schemes to be decided upon." <sup>2</sup>

Sir Harry Brittain is also a member of the Anglo-German Fellowship. Lord Mottistone, another member of the Anglo-German Fellowship, pleaded for the invaders of Abyssinia in the House of Lords :

<sup>1</sup> *The Times*, July 1st, 1938.

<sup>2</sup> *Observer*, May 29th, 1938.



"... On the one hand were millions of bloodthirsty tyrants<sup>1</sup> to whom it was proposed to send arms, on the other the honourable and humane army with 100,000 or 150,000 mouths to feed and boldly stating that those who came under their protection should have their share of food. . . . It was a wicked thing to connive at sending arms to these cruel, brutal men while denying them to others who were playing an honourable part."<sup>2</sup>

Sir Arnold Wilson (Conservative M.P. for Hitchin) was also in favour of leaving Abyssinia to the Italians :

"I returned recently from a week's visit to Italy, where . . . I had the honour to be received by Signor Mussolini. . . . All I have heard and seen in Rome and elsewhere convinces me, that having done our utmost to fulfil our obligations, we should now stand aside."<sup>3</sup>

Italy and Japan are Germany's main allies; they are the only important countries with which Germany has a definite alliance on paper of a military character. The Rome-Berlin-Tokio axis is a war alliance. Hitler has said, "An alliance whose object is not a future war is senseless and useless."<sup>4</sup>

An equally important ally of the Rome-Berlin axis is, however, Franco-Spain, for its strategical position is a particular menace to France and Britain. Even before the recent war in Spain, leading German military experts were discussing the merits of Spain as an ally :

"Spain has a certain value as an ally, since she serves to keep a number of French Army corps along the Pyrenees . . . and away from the Rhine frontier."<sup>5</sup>

The military value of Spain to Italy is even greater :

"Italy will be obliged to engage in a life and death struggle for the straits of Gibraltar; her declared intention to build a high-seas fleet demonstrates that she is already fully aware of the necessity. In that struggle it will be of vital importance to Italy to have the Balearics and the Spanish Coast in the proper hands."<sup>6</sup>

<sup>1</sup> The Abyssinians.

<sup>2</sup> *The Times*, October 23rd, 1935.

<sup>3</sup> Letter to *The Times*, September 24th, 1935.

<sup>4</sup> *Mein Kampf*, p. 749, 1938, German Edition.

<sup>5</sup> E. Banse, Professor of Military Science, in "Germany, Prepare for War", English translation.

<sup>6</sup> Dr. Hermann Gackenholtz in an article "The Position of Spain's Military

Both Germany and Italy have been particularly concerned to obtain new and better naval bases :

“ In the foreign policy of the great naval powers the naval base policy has played an important and often a decisive part.”<sup>1</sup>

Such military considerations have played the largest part in deciding the policy of the Rome-Berlin axis in Spain. They will certainly be the main consideration in the future policy pursued in Spain by the axis Powers :

“ It is as well that Italy should remain in Spain, to keep an eye on French policy ”.<sup>2</sup>

The Italians will never voluntarily surrender the biggest step they have yet taken towards putting the Mediterranean under Italian domination :

“ We must impose our influence on the Spaniards, otherwise we can never make of the Mediterranean the ‘ Italian Lake ’ of which Mussolini has spoken. That is why we are helping Franco.”<sup>3</sup>

Certain Conservative circles believe that Franco-Spain can be bought, but the realities of the situation show that this is nothing but a pious hope, dictated perhaps by the feeling that they must indicate a way out of the serious situation created by their betrayal of Spanish democracy. The Italian press confidently jeers at the ineffective British suggestions of bribery. The *Resto del Carlino* wrote :

“ Ah yes ! There is always a condition attached. On condition that the blood shed by the noble youth of Italy be bartered for a sack of gold.”

But, says the newspaper, the democracies have missed the boat :

“ We are delighted to inform you, gentlemen of the democracies, that we shall make you pay even for this last attempt at bribery. For we hold the knife by the handle.

Policy”, in “ Wissen und Wehr ”, September 1938, quoted in “ Axis Plans in the Mediterranean ”.

<sup>1</sup> German “ Handbook of Modern Military Science ”, 1936.

<sup>2</sup> *Relazioni Internazionali*, Rome, February 12th, 1939, quoted in *The Times*, February 13th.

<sup>3</sup> General Ambroggio Barlotti, quoted in *Il Mediterraneo*, February, 1938.

The victory of Spain is a Fascist victory, and you have got to reckon with it.”<sup>1</sup>

Germany and Italy have fought to win the great strategical and commercial advantages which they derive from their strong position in Spain; they will, if necessary, fight to retain them. The British Government was repeatedly warned that if the democratic Powers waited until General Franco had won, the difficulty of dislodging Germany and Italy in the peninsula would be immensely increased. A powerful potential ally of the people of Britain and the Empire would have disappeared, Franco-Spain would be a base for German and Italian submarines; German, Italian, and Spanish troops would menace the Pyrenean frontier of France and the French North African colonies. The following quotation is part of a statement made over the names of Professor Brierly (Professor of International Law at Oxford University), Capt. B. H. Liddell-Hart (Military Correspondent of *The Times*), and Mr. J. Emlyn Jones (Past President of the Cardiff Chamber of Commerce):

“A Fascist Spain, working in alliance with Italy, would render our sea communications hazardous, if not impossible, to maintain. Gibraltar would be untenable as a naval base, and we should then be left with no secure naval base of our own between this country and Alexandria, over 3,000 miles distant. The possibility of air and naval bases on the eastern seaboard of Spain and the Balearic Islands being available to hostile forces, would seriously complicate the problem of maintaining our traffic through, or even our forces in, the Mediterranean, and would be at least an equal danger to the communications between France and her African colonies. The alternative route to the East round the Cape, and even the sea approaches to this country, would be jeopardised if hostile submarines and aircraft were able to operate from the north-western and south-western coasts of Spain and from the Canary Islands. For France there is the danger that she would find herself virtually encircled with three land frontiers to defend. On strategic grounds a friendly Spain is desirable, a neutral Spain is vital to us; but General Franco, dependent as he is on German and Italian men and material, would find it hard, even if he wished, to remain neutral in a European war.”

<sup>1</sup> *Resto del Carlino*, February 15th, 1939, quoted in *The Times*, February 16th.

Such is the military significance to this country of the victory of General Franco. Yet many of our Conservative M.P.s, far from deploring this situation, welcomed every Franco victory during the war. "I hope to God Franco wins in Spain", declared Sir Arnold Wilson, M.P., "and the sooner the better."<sup>1</sup>

As we might expect, many of the Nazi sympathisers are loud in their praise of General Franco, but although the friends of Hitler are to a great extent the friends of Franco, Franco also has influential supporters in wealthy Catholic circles, many of whom are by no means so well-disposed to Hitler. There are a number of important Conservatives who have supported Franco, but now believe that the policy of strengthening Hitler by making continual concessions is fraught with danger.

A number of Conservative M.P.s, from the beginning of the Spanish war, supported the cause of General Franco. Many Conservative M.P.s belong to pro-Franco organisations. Many of them have taken leading parts in the campaign which was carried on in Parliament and outside it, in the Press, and on the platform for the granting of belligerent rights and the recognition of the Burgos Junta; others only revealed their opinions on one or two occasions, and played little part in the general campaign on behalf of the rebels.

The most important pro-Franco propaganda organisation is the Friends of National Spain. One member of its Committee is also a member of the Anglo-German Fellowship—namely, Mr. Douglas Jerrold. Major Yeats Brown, a signatory of the original letter to the Press inviting support,<sup>2</sup> is also a member of the Anglo-German Fellowship. In his book, "Georgian Adventure", Douglas Jerrold explains the part he played in assisting the Spanish rebellion. He helped to equip an aeroplane with two platinum blondes to give it an appearance of innocence. This plane took Franco and Mola from the Canary Islands to Morocco to organise the rebellion.

In an interview<sup>3</sup> Jerrold asked Queipo de Llano "for his view as to the most effective method of bringing this disastrous conflict to a close". Queipo de Llano replied: "Ask your Government to enforce the non-intervention agreement". The same point was made to him in the highest quarters in Salamanca, says Jerrold.

<sup>1</sup> *Manchester Guardian*, June 11th, 1938.

<sup>2</sup> December 1937.

<sup>3</sup> *The Times*, March 22nd, 1937.

Capt. Victor Cazalet, M.P., and Sir Nairne Stewart-Sandeman, M.P., are also members of this Committee. Sir Henry Page Croft signed the original letter and has been closely associated with them. Mr. A. T. Lennox-Boyd, M.P., was a member until his promotion to be Parliamentary Secretary to the Ministry of Labour.<sup>1</sup> Mr. Grant Ferris (M.P. for North St. Pancras) has also been associated with the Friends of National Spain.<sup>2</sup>

Captain Victor Cazalet, M.P., and Sir Henry Page Croft were among the speakers at a meeting organised by the Friends of National Spain in Queens Hall on March 23rd, 1938.<sup>3</sup> Captain Cazalet described Franco as "the Leader of our cause to-day",<sup>4</sup> and Sir Henry declared, "I recognise General Franco to be a gallant Christian gentleman, and I believe his word".<sup>5</sup>

Mr. Alfred Denville (Conservative M.P. for Newcastle-on-Tyne Central) has also spoken for the friends of National Spain.<sup>6</sup>

Another committee closely associated with the Friends of National Spain is the Spanish Children's Repatriation Committee. Mr. Douglas Jerrold is a member of this committee also; the Duke of Wellington, already mentioned as a member of the Anglo-German Fellowship, is also a member; Viscount Castlereagh, M.P., son and heir of Lord Londonderry, and Lady Londonderry are also members. Sir Nairne Stewart Sandeman (Conservative M.P. for Middleton and Prestwich, Lancs.) told his constituents on January 24th, 1938, "I don't mind telling you I am on the Repatriation Committee about these little Basque devils, and it is very difficult to get them back. . . . They are a pretty expensive cup-of-tea. . . . I want [Spain] under Franco."<sup>7,8</sup> The original appeal of the Committee was also signed by Capt. Victor Cazalet, M.P., and Arnold Wilson, M.P.<sup>9</sup>

Lord Redesdale and other members of the Anglo-German Fellowship have spoken on platforms for the Friends of National Spain. Lord Redesdale, who was Chairman, speaking with

<sup>1</sup> *Hansard*, March 2nd, 1938.

<sup>2</sup> *News Chronicle*, March 10th, 1938, and March 29th, 1938.

<sup>3</sup> *The Times*, March 24th, 1938.

<sup>4</sup> *Daily Herald*, March 24th, 1938.

<sup>5</sup> Report of meeting published by Friends of National Spain.

<sup>6</sup> Chelsea Town Hall, November 23rd, 1938, *West London Press*, Nov. 25th.

<sup>7</sup> *Manchester Guardian*, February 21st, 1938.

<sup>8</sup> *Middleton Guardian*, January 29th, 1938.

<sup>9</sup> *Manchester Guardian*, February 19th, 1938.

Mr. Alfred Denville, M.P., at a meeting in Chelsea Town Hall said : " General Franco was leading a crusade for all that they in England held dear." <sup>1</sup> The Earl of Glasgow, who is a member of the Anglo-German Fellowship, and brother-in-law of Sir Thomas Inskip, M.P., Minister for Co-ordination of Defence, asked in the House of Lords :

" Why this country should insist on the withdrawal of the Italian troops from Spain before they had finished the work they were sent there to do." <sup>2</sup>

Lord Glasgow even objected to the British Government's request to Franco to abstain from acts of vengeance on his entry into Barcelona. A motion in his name for debate in the House of Lords suggested that the message was " unnecessary and not in the interests of the British Empire ". <sup>3</sup>

Another organisation of some importance is the United Christian Front, whose Chairman is Captain A. H. M. Ramsay (Conservative M.P. for Peebles), who has already been mentioned in connection with " The Link ". Captain Ramsay, M.P., said :

" The United Christian Front has fought to prove the real fact, that General Franco was fighting the cause of Christianity against anti-Christ. . . ." <sup>4</sup>

M.P.s on the Committee of this organisation include Viscount Wolmer (Conservative M.P. for Aldershot), Lt.-Col. C. I. Kerr (Liberal-National M.P. for Montrose and Assistant Government Whip) and Capt. J. H. F. McEwen (Conservative M.P. for Berwick and Haddington). Among the peers are the Earl of Home, whose son and heir, Lord Dunglass, M.P., is Parliamentary Private Secretary (unpaid) to Mr. Neville Chamberlain and Chairman of the Junior Imperial League; <sup>5</sup> and Lord Phillimore, Chairman of the Friends of National Spain. Sir Donald Cameron, member of the United Christian Front, is also a member of the Anglo-German Fellowship.

Mr. Angus Watson, signatory to the original appeal of the United Christian Front, said in a letter to *The Times*, explaining his resignation :

<sup>1</sup> *West London Press*, Nov. 25th, 1938.

<sup>2</sup> *The Times*, May 19th, 1938.

<sup>3</sup> *The Times*, February 14th, 1939.

<sup>4</sup> Letter to the " Free Press ", February 1939.

<sup>5</sup> *Observer*, January 31st, 1937.

" I since have learnt that this letter is being used for party political propaganda and in support of General Franco's policy as opposed to that of the present Spanish Government."<sup>1</sup>

Capt. A. H. M. Ramsay, M.P., has made some particularly vigorous attacks on the Bishop of Chelmsford for supporting the Spanish Government.

The following M.P.s, therefore, have joined or associated themselves at some time with one or other of these three committees :

<i>M.P.</i>	<i>Constituency</i>
Capt. Victor Cazalet.	Chippenham.
Sir Henry Page Croft.	Bournemouth.
Mr. A. T. Lennox-Boyd.	Mid. Bedfordshire.
Mr. R. Grant Ferris.	North St. Pancras.
Sir Nairne Stewart Sandeman.	Middleton, Lancs.
Mr. Alfred Denville.	Newcastle-on-Tyne, Central.
Capt. A. H. M. Ramsay.	Peebles and Southern.
Viscount Wolmer.	Aldershot.
Lt.-Col. C. I. Kerr.	Montrose.
Capt. J. H. F. McEwen.	Berwick.
Viscount Castlereagh.	County Down.

But sympathy for General Franco and his cause is not confined to these M.P.s alone. Mr. Henry Channon (Conservative M.P. for Southend-on-Sea), at a meeting in his constituency said, " I personally . . . am very pro-Franco, and I hope that he wins " .<sup>2</sup>

Mr. George Balfour (Conservative M.P. for Hampstead) also speaking in his constituency, said, " he had expressed his view that Franco was doing a great work for Spain before, and he had got into some trouble over it " .<sup>3</sup>

Mr. A. C. Crossley (Conservative M.P. for Stretford), speaking in the House of Commons, declared :

" My sympathies are well known. Frankly, I sympathise with those who, I believe, are standing up for the rights of their religion and the freedom of property. . . . " <sup>4</sup>

<sup>1</sup> November 20th, 1937.

<sup>2</sup> *Southend Standard*, March 18th, 1937.

<sup>3</sup> *Hampstead and Highgate Express*, February 24th, 1939.

<sup>4</sup> *Hansard*, April 14th, 1937.

Sir Alfred Knox (Conservative M.P. for Wycombe) argued that Franco's "attitude towards the civil population is just as humane as that of any sentimental supporter of the Spanish Government in this country".<sup>1</sup>

Mr. Patrick Donner (Conservative M.P. for Basingstoke) also sympathises with Franco :

"The men and women who are supporting General Franco are not people who wish to establish a corporate state. They are not all Fascists, though some of them may be. Their underlying motive, the main-spring of their creed, is the desire to ensure restoration of law and order and the unification of Spain."<sup>1</sup>

The blatant statements of German and Italian military writers, the speeches of General Franco and of his generals, warnings from military and naval experts in this country, have not availed to overcome the prejudice of our Tory politicians in favour of the Right in Spain. Solidarity of reaction has triumphed over considerations of national interest :

". . . Sir Arnold Wilson said he saw no danger to British or French interests from the emergence of a Right-Wing Government in Spain, or no danger comparable with the emergence of a Communist regime. . . ." <sup>2</sup>

Sir Arnold Wilson may see no danger to British interests in a Right-Wing victory, but Franco's own press has no doubt of the future policy of Fascist Spain. The *Correo Espanol* of Bilbao wrote on May 5th, 1938 :

". . . It behoves us to fix, for after the war rather than for to-day, our very clear-cut position. . . . Whether one likes it or not, the Spanish State must see eye to eye with Italy and Germany on the great international questions. . . . Our reappearance in European affairs, will be at the side of Italy and Germany."<sup>3</sup>

But Wing-Commander James (Conservative M.P. for Wellingborough), although he gives different reasons for his opinions, comes to the same conclusion as Sir Arnold Wilson :

"I am perfectly well aware that I have often exposed

<sup>1</sup> Hansard, May 6th, 1937.

<sup>2</sup> *Manchester Guardian*, October 10th, 1936.

<sup>3</sup> Quoted in "Britain in Spain" by "The Unknown Diplomat" (Hamish Hamilton).



myself to the charge of being a partisan in this war. I admit that. . . . It is because I did not want the Opposition to have a clear field in jockeying the people of this country into the belief that all the rights are on one side. . . . I have tried to see reason on both sides. I concede this fact frankly, that in my opinion, the interests of the British people would have been less ill served by a victory for the Nationalists than a victory for the Republicans.”<sup>1</sup>

Other Conservative M.P.s see in a rebellion of the Right their ideal of law and order. Mr. Emmott (Conservative M.P. for East Surrey) said in the House of Commons :

“ . . . The position we had always taken up [is] that the action taken by General Franco is not only intelligible but one deserving of the sympathies of those who care for the cause of constitutional government.”<sup>2</sup>

Sir Patrick Hannon (Conservative M.P. for Moseley, Birmingham, and director of Birmingham Small Arms since 1925), in a letter to the *Daily Mail* on August 8th, 1936, said :

“ Whatever critical attitude the people of the British Empire may feel impelled to take up in relation to Germany and Italy in the complexities of international affairs, it must in its soul feel convinced that both those great countries are now acting with strict correctitude in relation to Spain.”

The Government pretended to be strictly impartial in the Spanish war. Many of the Government’s most loyal supporters made no such pretence of impartiality :

“ Referring to Spain the Hon. Member said that he could not understand the argument that it was to our interest to stop General Franco winning.”<sup>3</sup>

Reaction is blinding such politicians. Only political prejudice can explain the refusal to believe Italy’s own spokesmen. General Ettore Grassetti, in a military lecture in the University of Milan, said :

“ The western coastlines of Sardinia and Sicily constitute, with the Balearic islands once placed under our control, a system which neutralises Britain’s Gibraltar-Malta artery. Thus, with Italian influence in Palma de Majorca and German

<sup>1</sup> Hansard, November 2nd, 1938.

<sup>2</sup> Hansard, March 25th, 1937.

<sup>3</sup> *The Times*, March 3rd, 1937, reporting Mr. A. T. Lennox-Boyd, M.P.

influence in Melilla and Ceuta, the Rome-Berlin axis is prolonged into the Western Mediterranean . . . cuts the great British artery at its head at Gibraltar. . . ."<sup>1</sup>

When Captain Victor Cazalet, M.P., calls General Franco "the Leader of our cause to-day", we may well wonder to what cause he refers. Franco's cause is Hitler's and Mussolini's. Britain is supposed to be arming to-day against Hitler and Mussolini. Captain Cazalet's and Mr. Lennox-Boyd's particular political party have issued a Call to National Service against the threats of Hitler and Mussolini.

The Government spokesmen never said, "We support Franco", but "It would be too dangerous for us to support Government Spain"; they did not say "We support Hitler", but "It would be too dangerous for us to give any guarantees to Czechoslovakia". Refusal to assist the victims of Hitler and Mussolini is excused on the grounds that any other course of action is too hazardous. But many Conservative M.P.s say, "We support Hitler, Mussolini, or Franco", and make no such excuses, and the Government promotes such supporters to important Government offices and gives them titles. The spoken word of these Government supporters belies the Government's excuses, and impugns their good faith.

The results of the Government's policy have been in accordance with the express wishes of right-wing Conservative politicians. A letter sent from the headquarters of "The Link" appeared in *The Times* on October 12th, 1938, over the names of well-known members of the Anglo-German Fellowship and others including Lord Londonderry, Lord Mount Temple, and Sir Barry Domville; Franco supporters including Captain A. H. M. Ramsay, M.P., and Lord Redesdale; and others:

"The Munich agreement . . . took nothing from Czechoslovakia to which that country could rightfully lay claim and gave nothing to Germany which could have been rightfully withheld."

The Munich agreement has been claimed as a victory for the policy of this group: on October 3rd, 1938, the Marquess of Londonderry said in the House of Lords:

"I welcome particularly the events of the last two weeks by reason of a direct contact having been made by our Prime

<sup>1</sup> Quoted in "Britain in Spain", by "The Unknown Diplomat".

Minister and the Government of Germany. I, in a very humble manner, have been endeavouring for four years to do exactly the same thing.

" . . . I can say quite honestly that what has happened has been the fulfilment of the hopes which I have had in my mind. I have seen what I have urged and what I have desired. . . . I spent Thursday and Friday in Munich as a private individual. . . ."

Lord Londonderry told a reporter that during his stay in Munich he met General Goering and Herr von Ribbentrop.<sup>1</sup>

At a reception to the German Ambassador on October 19th, 1938, Lord Mount Temple, proposing the toast, said, " Never since the Anglo-German Fellowship started had they met under fairer auspices ".<sup>2</sup>

Czechoslovakia was an ally of Britain and France, now she is a part of Nazi Germany. Czechoslovakia had a potential conscript army of one and a quarter million men, a peace-time army of 180,000 men,<sup>3</sup> over a thousand bombing and fighting planes, and an armaments industry three times as great as that of Italy. These could have been counted on by Britain and France before " Munich "; to-day the Czechoslovakian armaments industry is working to increase German armaments, the army is entirely neutralised, if not on Germany's side. The " Schoeber Line " of fortifications, which cost over £80,000,000, is now in German territory, the famous Skoda armament works belong to Germany, the second largest chemical works on the Continent is now German.

Czechoslovakia inherited 75% of the heavy industry of old Austria-Hungary. This industry was used to make munitions for the German Army during the Great War. Since the Peace Treaties Czechoslovakia was an effective ally of Britain and France; the annexation of Czechoslovakia which followed Munich has ensured once again the German domination of this important country. Bismarck once said, " Whoever is master of Bohemia is master of Europe ".

The policy which led to the destruction of this last democratic country in Central Europe, to the loss by Britain of its only ally in Central Europe, and to the great accession to the

<sup>1</sup> *Manchester Guardian*, October 1st, 1938.

<sup>2</sup> *Monthly Journal*, November-December 1938.

<sup>3</sup> " Europe and the Czechs ", by S. Grant Duff, Penguin Books.

military strength of Nazi Germany was welcomed by leading Conservatives, who freely proclaimed "Munich" as a victory for their particular group.

*The Times* of September 7th, 1938, suggested the cession of Czechoslovakian territory, even before Hitler or Henlein had raised the demand. The Foreign Office denied that this *was* the policy of the Government; but it *was* the policy which Mr. Chamberlain later helped to put into effect, and the suggestion was praised by Conservative M.P.s at the time. Sir Arnold Wilson, on September 8th, 1938, ". . . welcomed the cautious suggestion made on Wednesday in a leading article in *The Times* that the frontiers [of Czechoslovakia] might be redrawn. . . ." <sup>1</sup>

The supporters of Nazi Germany have also made vigorous attacks on other potential allies, and also on the Franco-Soviet Alliance :

"The British Foreign Secretary would do well in his confidential talks with the French Government to impress upon them that nine-tenths of the British people abhorred the Franco-Soviet pact and wished it would come to an end." <sup>2</sup>

These are the words of Lord Mount Temple, until recently President of the Anglo-German Fellowship.

"Sir Arnold Wilson . . . said that the Franco-Soviet Alliance was a grave blow to the hopes of collective security . . ." <sup>3</sup>

Reviewing a book by Sir Arnold Wilson, "Walks and Talks Abroad", the *Sunday Times* wrote :

"Why the author should describe the Franco-Soviet pact—with regard to the purpose of which he accepts *in toto* the German view—as 'the price exacted by the French Communists for their co-operation in "le front populaire"' is not clear." <sup>4</sup>

We might add to the *Sunday Times* comment that the Franco-Soviet Alliance existed before the Popular Front Government. France is also our closest ally; in the words of Mr. Neville Chamberlain :

". . . I feel bound to make it plain that the solidarity of interests by which France and this country are united is such

<sup>1</sup> *The Times*, September 9th, 1938.

<sup>3</sup> *The Times*, April 25th, 1935.

<sup>2</sup> *The Times*, February 25th, 1937.

<sup>4</sup> June 7th, 1936.

that any threat to the vital interests of France, from whatever quarter it came, must evoke the immediate co-operation of this country."

This is the Government's pledge. But France has suffered the total loss of a strong ally in Czechoslovakia, she sees potential enemy powers encamped on the Pyrenees, she sees her connections with her North African colonies threatened as Italy takes possession of the Balearic Islands. All this happens with the connivance of the British Government and the enthusiastic support of Tory M.P.s.

Russia was our ally in the last War, and kept two million troops occupied on the Eastern Front for three years; France and Britain would have been in a sorry plight indeed if Russia had not been one of the Allies in 1914. But to-day we find Conservatives who protest against any such co-operation with Russia; in spite of the increasing danger of war, they denounce an alliance which ensures us the support of a great military Power.

This is a new phenomenon in politics—the rejection of allies at a time when Britain is in need of the support they could give. The reason for this rejection of Soviet Russia is plainly based on a dislike of the Soviet political system. Similar motives may have played a great rôle in the past in colouring the opinions on foreign policy of individuals, but has a Government before ever rejected a military alliance with a Great Power in time of need, solely on the grounds that it disliked its rulers? Our present Government has made insufficient efforts to ensure the co-operation of Russia, which is many times stronger than before the last War; in the event of our security being menaced it is surely clear to all that that co-operation is as necessary to-day as in 1914. Political prejudice inimical to our national security is not simply influencing the actions of a few pro-Nazi politicians, but of the Government itself. Any Government in the last century faced with an international situation as grave as that in 1939 would have combed the world for allies, but our Government picks and chooses them according to the colour of their internal regimes.

This political prejudice has been shown in other ways. Not one single step has been taken to prevent the rearmament of Germany. Over one million British lives were lost in the Great

War to prevent German hegemony in Europe, and to save democracy. Hitler has not only destroyed democracy in half Europe, but a leading Conservative can write to-day :

“ When Hitler began, Germany lay prostrate at the feet of the Allies. He may yet see the day when what is left of Europe will be prostrate at the feet of Germany. . . .

“ Hitler’s success, and, indeed, his survival as a political force, would not have been possible but for the lethargy and folly of the French and British Governments since the War, and especially in the last three years. No sincere attempt was made to come to terms with the various moderate governments of Germany, which existed upon a parliamentary system.” <sup>1</sup>

Not only did we fail to co-operate with a democratic Germany, but British Conservative politicians have praised every step in Hitler’s climb to military power. Germany was not prevented from rising again to become a threat to Europe and the British Empire, because the particular group of Conservatives who have controlled our foreign policy have favoured Hitler. Their particular political sympathies have dictated a foreign policy which has enabled Hitler to rearm Germany.

Political sympathy for General Franco in leading Conservative circles has enabled Italy and Germany to secure a victory for Franco and themselves. A Spain controlled by Hitler and Mussolini is a menace to British security, for it provides them not only with a third frontier menacing France, but with naval and air bases in the best possible positions to threaten our merchant shipping. The political sympathy of our Conservatives for Franco, which we have illustrated, has overridden any such considerations of national security.

Every increase in strength of Germany and her allies has increased the danger of war. No country begins a major war without some prospect of winning it. Without Austria, Czechoslovakia, and Franco-Spain, Nazi Germany had no chance of winning a war against the united strength of the British Empire, France, and Russia. A united stand against Nazi encroachment three or four years ago would have been immediately successful, and there would have been no danger of war.

Italy and Japan have been attracted into alliance by

<sup>1</sup> Mr. Winston Churchill, November 1935.

Germany's military strength. If a stand had been made against Japan's aggression in Manchuria and Italy's aggression in Abyssinia, we should not to-day be faced with the probable necessity of making a stand against the united strength of Italy, Germany, and possibly Japan at the same time. But pro-Japanese sympathies in high places prevented opposition to Japan, pro-Italian sympathies in high places prevented any real opposition to Italy, although at that time we had most of the world behind us.

Time has been against us all the way. We have embarked on a great rearmament programme, but how many millions must be spent on our Navy and Air Force to balance the additional strength which Germany and her allies derive from their victory in Spain? No expenditure on rearmament alone will balance the military power which Germany derives from its alliance with Mussolini.

The surrender of Czechoslovakia has released at least 30 divisions of the German Army, or 600,000 men, from the Eastern frontier, who may now be used for attack in the West, and has made it extremely difficult for Russia to give the most effective assistance. How many millions spent on rearmament and how many thousands of British and French lives may one day be needed to make good this loss in our military strength? Is it easier to make a stand now that Czechoslovakia is part of Germany, or was it easier before? Was it just "fear of war" which led our Government to negotiate Hitler's first and essential victory at Munich, or was it that sympathy and friendship for the Nazis which are so widespread in Conservative circles?

Our Government has not delayed making a stand, because delay operates to our advantage. Every time we allow Germany and her allies to claim another victim, one of our potential allies disappears and reappears on Germany's side. Our rearmament has never kept pace for one moment with the continually improving strategical position of the enemy, nor can it; we shall only begin to overtake the enemy in military strength when his strategical position ceases to improve.

The course of our foreign policy gives the impression that the Government funk the issue, that they are overcome with a desire to put off the fatal day even though such procrastination, if continued indefinitely, can only end in unheard-of calamity.

Have they been frightened to take the necessary steps to secure the country's and the Empire's strategic defences?

Our examples of Conservative opinion given above show only too clearly that the real explanation is to be found in the pro-Nazi, pro-Mussolini, pro-Franco sympathies of our rulers. These sympathies have been so strong that all considerations of national and imperial defence have been overridden. These sympathies have led to the surrender of more than all the strategical advantages which the Allies obtained in the Great War, and all the guarantees for a more peaceful world, including the now moribund League of Nations. Only the old German Colonies still in Allied hands remain to symbolise the victory of British Imperialism in the Great War. The Redesdales and the Arnolds have expressed a wish to see even these surrendered. Who ever before heard Conservative members of the British House of Lords and House of Commons advocate the cession to the enemy of territory won by force of arms? This is something new in British politics.

Every British Government has the serious responsibility of ensuring the safety of the people of these islands. It is charged by the people not only to do its utmost to keep the world at peace, but also to ensure the safety of those merchants' ships which bring our supplies of food and raw material. Every British Government also has responsibility towards the Empire, whose people have a right to depend on British statesmen to save them from the clutches of Hitler and Mussolini. Our Conservatives have made it increasingly difficult for any British Government to fulfil these, its greatest, responsibilities.

Not all Conservatives, however, have been supporters of this policy of retreat. A number, of whom Mr. Winston Churchill is outstanding, have not allowed their political prejudices to obscure their view of the national interests on this particular question. An ever-increasing number have become appalled at the obvious consequences of their party's policy and have, in effect, changed sides.

Of the Conservatives who have, in one way or another indicated disapproval of the Government's policy of retreat, very few belong to those circles and organisations which we have described above. They are mostly drawn from the councils of the "true blue" Imperialists. One of the latest manifestations



of these Conservatives is The Army and Home and Empire Defence League,<sup>1</sup> who place particular emphasis on the increasing danger to our shipping :

“ In the Great War a few German submarines made us go short of food and held up munition production. In a future War the Enemy would try his hardest to starve us by stopping food supplies, and to bring our Navy, Army, and Air Force to a standstill by preventing them from getting oil, petrol, and raw materials for munitions.”<sup>2</sup>

The Council of The Army and Home and Empire Defence League has on it such Conservatives as Mr. L. S. Amery, M.P., Mr. W. J. Anstruther-Gray, M.P., Sir Edward Grigg, M.P., Mr. W. Mabane, M.P., Mr. Duncan Sandys, M.P., and Lord Lloyd; Captain Macnamara, M.P., is on their “ Magazine Committee ”.<sup>3</sup>

This important organisation does not, however, concern itself with the Government's foreign policy, but only with rearmament, national service, and the like. Indeed, paradoxical as it may seem, agreement among its supporters is far from being realised. Lord Lloyd and Mr. Amery are, for example, well known for their opposition to the Government's foreign policy, but among the contributors to their journal *Rising Strength* we find Mr. Patrick Donner, M.P., writing on the problem of “ Food Storage and War ”. Mr. Patrick Donner, who says with approval, “ The Government, aware of mortal peril, has launched the rearmament programme at immense cost ”, has appeared to associate himself with the supporters of General Franco, whose success is perhaps the main cause of interest in the subject of Mr. Donner's article.

On the Council of the Navy League<sup>4</sup> are Lord Lloyd, Mr. Amery, and other “ dissident ” Conservatives, but also one or two members of the Anglo-German Fellowship, including Lord Sempill and Admiral Wilmot Nicholson. The Executive Committee of the Air League of the British Empire contains no prominent “ dissident ” Conservatives; but Lord Mottistone, member of the Anglo-German Fellowship, is a member of the Executive Committee.

<sup>1</sup> Name is now “ Citizen Service League ”, *The Times*, January 18th, 1939.

<sup>2</sup> Leaflet issued by the League.

<sup>3</sup> *Rising Strength*, Vol. I, No. 1. Organ of the League.

<sup>4</sup> “ Report of Annual Grand Council Meeting ”, 1938.

The latest organisation of this character is the Colonial League, which is the only one with a definite foreign policy. The object of the Colonial League is :

“To bring before the public the importance of the British Colonial Empire, and in particular to stress the human, moral, and political objections to any concessions to the German demand for the surrender of British Colonial or Mandated territories.”

Its Council includes such well-known business men as Lord Lugard, Viscount Stonehaven, Earl of Selborne (father of Viscount Wolmer, M.P., also a member), Sir Cecil Rodwell, Mr. James de Rothschild, and also Mr. L. S. Amery, M.P., all of whom are directors of concerns operating in the Empire. Other M.P.s include Colonel C. E. Ponsonby, Mr. Duncan Sandys, Hon. Harold Nicolson, and a number from the Opposition parties.

These organisations are all united on the necessity for improving our defences, but there is no unanimity on the far more vital necessity of defending Britain's strategical position.

On one side stand a great number of Conservatives, still dominating the Government, who have supported, and to all appearances still support, the policy of retreat; on the other hand are a small number who oppose the Government's foreign policy; in both of these groups are a considerable number who present a picture of complete confusion advocating irreconcilable points of policy.

About 20 M.P.s have expressed serious disagreement with the Government's policy since the Munich settlement, either in speeches, press statements, or by abstaining from voting on foreign policy. The following list contains most of the dissident Conservatives :

“Members of Ministerial parties who were known to have abstained from the division were :

“Mr. V. Adams, Mr. Amery, Commander Bower, Mr. Bracken, Mr. Cartland, Mr. Churchill, Mr. Duff Cooper, Lord Cranborne, Mr. Crossley, Mr. Duggan, Mr. Eden, Mr. Emrys-Evans, Sir D. Gunston, Sir Sidney Herbert, Sir Roger Keyes, Mr. R. Law, Mr. Harold Macmillan, Mr. Sandys, Brigadier-General Spears, Mr. J. P. L. Thomas, Mr. Harold Nicolson, and Lord Wolmer.

"Mr. Boothby voted in the first division against the Opposition amendment, but he did not vote in the second."<sup>1</sup>

The *Manchester Guardian* of October 7th, 1938, gives among abstentionists : Mr. Donner and Mr. Graham.

The *Daily Telegraph*, November 23rd, 1938, notes that Mr. Ronald Tree, M.P., gave up his Parliamentary Private Secretaryship in sympathy with Mr. Eden.<sup>2</sup>

A few of these Conservative M.P.s are supporters of Franco—for example, Mr. A. C. Crossley. It is largely such curious inconsistencies which have so far prevented the opposition of these Conservatives from being effective.

It is noticeable that very few of these dissident Conservatives have connections with the key industries, though there are exceptions. Mr. Harold Macmillan holds important positions in industry. He has shown on many occasions a vigorous independence and respect for our democratic traditions. Mr. L. S. Amery has a long experience of the strategic needs of Empire defence and has been Secretary of State both for the Colonies and Dominions; he is also familiar with the needs of

<sup>1</sup> *The Times*, October 8th, 1938.

<sup>2</sup> Since this chapter was written *The Times* reports as follows :

"A resolution signed by Mr. Eden, Mr. Duff Cooper, Mr. Churchill, Mr. Amery, and 30 other M.P.s was tabled in the House of Commons last night. The resolution, which is headed 'National Effort to Meet Present Dangers', is as follows :

"In view of the grave dangers by which Great Britain and the Empire are now threatened following upon the successive acts of aggression in Europe and increasing pressure on smaller States, this House is of opinion that these menaces can only successfully be met by the vigorous prosecution of the foreign policy recently outlined by the Foreign Secretary; it is further of opinion that for this task a National Government should be formed on the widest possible basis, and that such a Government should be entrusted with full powers over the nation's industry, wealth, and man-power to enable this country to put forward its maximum military effort in the shortest possible time.

"The other 30 signatories are :

"Mr. R. K. Law, Sir Ralph Glyn, Mr. H. J. Duggan, Mr. F. A. Macquisten, Mr. J. P. L. Thomas, Mr. R. H. Turton, Sir Derrick Gunston, Mr. B. Bracken, Sir Ernest Shepperson, Mr. Mark Patrick, Mr. Arthur Duckworth, Mr. Harold Macmillan, Mr. Duncan Sandys, Mr. A. A. Somerville, Mr. A. Crossley, Brigadier-General Sir Ernest Makins, Brigadier-General E. L. Spears, Lt.-Col. J. R. J. Macnamara, Mr. P. V. Emrys-Evans, Mr. J. Henderson-Stewart, Mr. Ronald Tree, Sir Brograve Beauchamp, Mr. Harold Nicolson, Captain C. G. Lancaster, Mr. R. Cartland, Commander R. T. Bower, Major A. N. Braithwaite, Mr. S. F. Markham, Lord Wolmer, and Sir Roger Keyes.

"(All but 3 are Conservatives.)"\*

This motion was subsequently withdrawn from the order paper of the House of Commons.

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\* *The Times*, March 29th, 1939.

Empire industry, for he is a director of the South West Africa Company and others.

The other dissident Conservatives are largely drawn from aristocratic and military circles with few important industrial connections. The military men include Brig.-Gen. Spears, M.P., who was head of the Military Mission to Paris 1917-20, Admiral Sir Roger Keyes, M.P., etc.

In summary, the forces outside and inside Parliament opposing the Government's policy of retreat are sections of industry and finance with a stake in the Empire; a group closely associated with the Army and Navy; a number of able and independently minded politicians, some of whom have been conspicuous defenders of our democratic traditions during recent years, such as Mr. Robert Boothby, M.P., Mr. Harold Macmillan, M.P., and the Duchess of Atholl.

In contrast, the support for the present foreign policy of the Government comes from large-scale industry and finance. The corporate members of the Anglo-German Fellowship<sup>1</sup> and the firms with directors who are members of the Anglo-German Fellowship make an impressive list.<sup>2</sup> The following is a selection of corporate members; *corporate membership must indicate that in most cases the Board of Directors approve membership of the Fellowship* :

#### CORPORATE MEMBERS OF THE ANGLO-GERMAN FELLOWSHIP.

Banks.	{	Guinness, Mahon & Co.
		Lazard Bros.
Iron & Steel.	{	J. Henry Schröder & Co.
		Firth-Vickers Stainless Steels (a subsidiary held jointly by Thos. Firth & John Brown, Ltd., and English Steel Corporation, a joint subsidiary of Vickers Armstrong & Cammell Laird).
		C. Tennant, Sons & Company, Ltd.
		Unilevers (capital over £67,000,000).
Other big firms.	{	Thos. Cook & Son (capital £1,500,000).
		Combined Egyptian Mills (capital over £2,500,000).
		Dunlop Rubber Co. (capital over £12,500,000).
		McDougalls (capital of holding company nearly £2,500,000).

Many smaller firms with an aggregate capital running into millions of pounds are also corporate members.

<sup>1</sup> On November 18th, 1938, the Council passed a resolution unanimously which stated, "... the Council will ... steadily prosecute its efforts to maintain contact with Germany, as being the best means of supporting the Prime Minister in his policy of appeasement. . . ."

<sup>2</sup> Annual Report, 1936-7.

Individual members and representatives of corporate members of the Anglo-German Fellowship are themselves directors of the following. In these cases the other directors of the companies must not be thought necessarily to approve the opinion of the individual director :

*A. Banks.*

Bank of England.	{ F. C. Tiarks ( <i>member of Council of A.G.F.</i> ). Lord Stamp. Sir Robert Kindersley ( <i>representing</i> <sup>1</sup> <i>Lazard Bros.</i> ).
Midland Bank.	{ Lord McGowan. Lt.-Col. Hon. G. K. M. Mason, M.P. Stanley Adams ( <i>representing Thos. Cook &amp; Son</i> ).
Lloyds Bank.	Hon. Walter Runciman.
Barclays Bank ( <i>local board</i> ).	Sir Donald Horsfall ( <i>representing John C. Horsfall &amp; Sons</i> ).
National Bank of Scotland.	{ Lord Lothian ( <i>Governor</i> ). Sir Donald Cameron ( <i>Deputy-Governor</i> ).
J. Henry Schröder & Co.	{ F. C. Tiarks. H. F. Tiarks.
Lazard Bros.	{ H. W. B. Schröder. Sir Robert Kindersley ( <i>Chairman</i> ) ( <i>Representing Lazard Bros.</i> ).
National Bank of Australia ( <i>London Board of Advice</i> ).	Lord Hutchison of Montrose.
British Linen Bank.	{ Earl of Airlie ( <i>Deputy-Governor</i> ). Robert L. Barclay.
Ralli Bros.	{ P. J. Calvocoressi. H. Pfister.
Coutts & Co.	Earl of Harrowby.
National Bank of Egypt.	Col. Sir Sidney Peel.

*B. Insurance Companies.*

Among those with one or more directors who are members of the Anglo-German Fellowship are :

Commercial Union Assurance.	London Assurance.
Eagle Star.	London & Lancashire.
Phoenix Assurance.	Guardian Assurance.
National Employers' Mutual General Insurance, etc. etc.	

The list of directors of *important industries*, who are in their private capacity members of the Anglo-German Fellowship shows even more clearly from what class of society the membership of the Fellowship is drawn :

<sup>1</sup> *Representative* and *representing* on this and the following page refer to individuals who *represent* firms which are corporate members of the Anglo-German Fellowship. Other words in italics refer to positions held in the respective companies.

*Firms.**Directors.*

Lever Bros. & Unilever (capital over £67,000,000).	{ F. D'Arcy-Cooper ( <i>Chairman</i> ). Clement Davies, M.P. P. Rykens ( <i>representative</i> ). C. W. Barnish.
Imperial Chemical Industries.	{ Marquess of Carisbrooke ( <i>advisory</i> ). Lord McGowan ( <i>Chairman</i> ). Lord Stamp ( <i>Chairman</i> ).
London Midland & Scottish Railway.	
London & North Eastern Railway.	Hon. Walter Runciman.
"Shell" Transport & Trading Co. (capital over £40,000,000).	Andrew Agnew ( <i>Managing Director</i> ).
Anglo-Iranian Oil Co. (capital over £32,000,000).	{ F. C. Tiarks. H. B. Heath Eves.
Tate & Lyle.	Sir Leonard Lyle ( <i>President</i> ).
Hudson's Bay Co.	H. A. Reincke.
Distillers Co.	{ Sir Alexander Walker.
Gas, Light & Coke Co.	{ Archibald V. Board. Sir D. Milne-Watson ( <i>Governor and Managing Director</i> ).
The Dunlop Rubber Co.	C. A. Proctor ( <i>representative</i> ).
P. & O. Steam Navigation Co.	Sir Geoffrey Clarke.
B.S.A.	Stanley J. Adams ( <i>representative of Thos. Cook &amp; Sons</i> ).
Imperial Airways.	G. E. Woods Humphery ( <i>Managing Director</i> ) ( <i>representative</i> ).
Telegraph Construction & Maintenance.	Sir Geoffrey Clark ( <i>Managing Director</i> ).
Thos. Firth & John Brown.	A. J. Grant ( <i>Member of Council of F.B.I. ; Managing Director</i> ) ( <i>representing Firth Vickers Stainless Steels</i> ).
William Beardmore.	H. A. Reincke.
Consett Spanish Ore Co.	Hon. Walter Runciman.

In spite of this formidable support for the Government's foreign policy of "appeasement"—as it is now generally called—which membership of the Anglo-German Fellowship usually, though not always, indicates, the opposition in Conservative circles to this policy is growing. Important industrialists, particularly those with large interests in the Empire, are beginning to express opposition. The opposition in Parliament is also far greater than the 20 abstentions in the House of Commons indicate; but there are not many Conservative M.P.s, whatever their opinions, who are prepared to risk a setback in their political careers by displeasing the Party leadership. But so far the opposition is confused. Many dissident Conservatives have expressed opposition only on particular points of foreign policy. The opposition to any Colonial concessions to Germany is undoubtedly very great, but agreement on a foreign policy designed to secure the Empire's strategic defences,

which necessarily includes an alliance with the Soviet Union, is very far from complete even among the dissident Tories.

Hitler and Mussolini can, thus, not only rely on vigorous support for their aims from many members of both Houses of Parliament, but on confusion and disunity even among sections of opinion who oppose them. A vigorous line in foreign policy is possible only if backed by a united force. The Fascists and pro-Fascists in Parliament have destroyed that national unity so essential if the rapid deterioration in the international situation is to be prevented.

Germany and Italy have only succeeded in Spain with the assistance of the right-wing political parties who destroyed the unity of the Spanish people; in Czechoslovakia Hitler only succeeded with the support of the right-wing political parties both among the Sudeten Germans and the Czechs (the Agrarian Party and the National Union); the foundations of British democracy and the security of the peoples of the Empire have been undermined only with the connivance of our right-wing Conservatives. Hitler, to-day, has friends among the leading politicians in the very countries he is seeking to conquer.

Protest against the policy of retreat is not enough. The defence of British democracy requires a great organised movement. The Government has initiated the National Service campaign. Can National Service, perhaps, supply that organised determination which the safety of our democracy requires?

National Service is dominated by those very Conservatives who are close friends of the dictators. Can the very politicians who have helped Hitler, Mussolini, and Franco to destroy democracy on the continent of Europe rally the forces of British democracy? Can those politicians who have organised the grand retreat of British democracy before the advancing Fascist enemy ever wake the enthusiasm of the British people? The Government has appointed Sir John Anderson, M.P., to take charge of our National Service. Sir John Anderson's main claim to distinction is founded on his long experience of police administration, in Ireland at the time of the Black and Tans, as head of the Home Office, and as Governor of Bengal. Such wide experience of police work is hardly the best qualification for leading a democratic movement. One of Sir John Anderson's first moves has been to place a large part of the National Service, including part of the organisation of Air-raid Wardens,

under the Police instead of the democratically elected local authorities.<sup>1</sup>

The Government plans for National Service will not provide the stimulus for that great democratic movement which is necessary to defend our traditional liberties. The outlook of our Conservatives which has led to the pro-Fascist foreign policy of the Government rules even our domestic policy. Many Conservatives are toying with the idea of Fascism in Britain. Here is a fuller extract from the article by Sir Thomas Moore (Conservative M.P. for Ayr Burghs) which we noted in Chapter I; writing of a meeting of the British Union of Fascists in the Albert Hall he says :

“What is there in a black shirt which gives apparent dignity and intelligence to its wearer. . . . All seemingly filled with the same emotions, pride of race, love of country, loyalty, hope. . . . As I listened to the vibrant tones of Sir Oswald Mosley . . . I got my answer. There was little if any of the policy which could not be accepted by the most loyal follower of our present Conservative leaders. The majority of the essentials and many of the details are part and parcel of strict Tory doctrines. . . . In truth much of this national Blackshirt policy has already been initiated by the National Government. Why, therefore, the Blackshirts? The answer lies in the one word—Action! . . . But if my analysis is correct surely there cannot be any fundamental difference of outlook between the Blackshirts and their parents the Conservatives? For let us make no mistake about that parentage. The briefest study of the movement and the most casual examination of its members satisfy one that it is largely derived from the Conservative Party. This is perhaps natural for the instincts are the same, loyalty to the throne and love of country. With these two powerful bonds, surely the relationship can be made closer and more friendly. . . .

“Why should there not be concord and agreement between that old historic party . . . and this new and virile offshoot? . . .

“The country will be safeguarded from danger within and made more secure from danger without. The National

<sup>1</sup> The original proposals have since been modified, but this statement is still correct.



Government will get a new lease of vigorous and successful life." <sup>1</sup>

Sir Thomas Moore has been one of the foremost advocates of "retreat"; he has backed Hitler's demands for Colonies, but he still boasts of his patriotism. But many leading Conservatives know perfectly well that the Blackshirts' imitation of Hitler and Mussolini will never win the British public. Mr. Walter Elliot (Conservative M.P. for Kelvingrove) explains :

" If one wants to do a new thing in this country, one must do it as if it were an old thing. For that reason it seems to me to be courting failure to tell people that they have first to dress themselves in black shirts and throw their opponents downstairs in order to get to the corporative state. . . . This new economic order, i.e., the corporative state has already developed further in England than is generally recognised." <sup>2</sup>

Partiality for Fascism is a leading motive of important Conservative politicians in domestic as well as foreign policy. Their sympathy for Fascism is the result of their fear of democracy. The Conservative Party is the political weapon of "rank, property, and the employment of labour". Conservatives are afraid that democracy will be used by the people to deprive them of their rank, their political power, and even their property; they believe that a strong democracy on the Continent of Europe would weaken the influence of the Conservative Party in Britain. Their assistance for Fascism on the European Continent is assistance for their wealthy and propertied counterparts. They believe that unless Fascism succeeds in Europe, the privileged position of Britain's wealthy governing class may be irretrievably lost. Their policy of retreat before Fascism is the instinctive act of self-preservation of a wealthy oligarchy.

In order to preserve the power of their particular political party, they have been willing to jeopardise the safety of this country and of the Empire, and to condone a neo-Napoleonic hegemony in Europe by German Fascism. They were afraid to crush Hitler or Mussolini while it was still easy to do so, for fear of what might replace the dictatorships :

<sup>1</sup> Sir Thomas Moore, feature article in the *Daily Mail*, April 25th, 1934, under the title "The Blackshirts have what the Conservatives Need".

<sup>2</sup> Interview with the Vienna *Freie Presse*, quoted by Sir Stafford Cripps, "National Fascism in Britain", p. 5, and also in "Reactionary England", by H. R. G. Greaves. See also *The Times*, June 25th, 1934.

"If we were to isolate Germany and therefore prove to the German people that Herr Hitler had failed them, deluded them, betrayed them, eventually they will discard him and seek another God . . . there is only one, the anti-Christ of Communism." <sup>1</sup>

They have been prepared to face the loss of the Empire's defences rather than assist European democracy. But these very Conservatives have in many respects miscalculated. They believed for a long time that Nazi Germany's urge for expansion would be directed towards the East :

"Let us not assume that Germany is the potential enemy against whom we must combine, but look further afield. To ignore the vast war preparations of Soviet Russia . . . is to do an ill-service to Europe. . . . In ten years' time she may be stronger than any two powers in Europe on land and in the air and she may find allies. If war should come it will not be . . . where or when Mr. Churchill expects it." <sup>2</sup>

To-day such ideas are little more than auto-suggestion, but we find this illusion still persisting fairly recently :

". . . he also hoped that the Government would privately inform the French Government, that should Germany attack to the East and France think that her moment had come to make war against Germany that such an action by France would not necessarily receive the support of this country". <sup>3</sup>

Lord Mount Temple, speaking at a dinner of the Anglo-German Fellowship said :

"If another war comes—Well, I must not say what I was going to say—I hope the partners will be changed". <sup>4</sup>

"Unity is essential and the real danger to the world to-day does not come from Germany or Italy . . . but from Russia." <sup>5</sup>

The Spaniards, Abyssinians, Austrians, and Czechs have learnt a lesson which Sir Arnold Wilson has still to learn.

<sup>1</sup> Sir Thomas Moore, M.P., in the *Sunday Dispatch*, October 22nd, 1933.

<sup>2</sup> Article in the *Evening Standard* (in reply to Mr. Churchill on the menace of German Rearmament), by Sir Arnold Wilson, M.P., May 5th, 1936.

<sup>3</sup> Mr. Stuart Russell (Conservative M.P. for Darwen, Lancs), *The Times*, June 24th, 1936.

<sup>4</sup> *News Chronicle*, July 20th, 1936.

<sup>5</sup> Sir Arnold Wilson, M.P., *Manchester Guardian*, June 11th, 1938.

Events have shown the increasing likelihood of Nazi Germany expanding in the West. Hitler himself has explained the extraordinary strategical difficulty of a campaign in the East :

“(1) In Russia one has to deal with a nation of 180 millions.

(2) Russia is territorially immune from attack.

(3) Russia can never be overcome by a blockade.

(4) Its industries are safe from aerial attack, as the most important industrial centres are from 4,000 to 6,000 kilometres from the frontiers. . . .

“Russia has a solid trade, the strongest Army, the strongest Tank Corps and the strongest Air Force in the world. These are facts which cannot be ignored.”<sup>1</sup>

Hitler's prospects in the West are better, for he can not only rely on Italy, Franco-Spain, the Italian and Spanish African Colonies, but upon political groups within the territories of the Western democracies who will propose capitulation. Already the first concessions are being demanded of France, and the advocates of capitulation have spoken :

“Italy's claims in the Mediterranean to-day against France should not be regarded merely as boasts or attempts to create war for no good reason. . . . Italians in Tunis were four times as numerous as French. All these things were matters for negotiation and not for war.”<sup>2</sup>

The success of Franco in Spain may decide the issue against Germany's advance in the East in favour of attack in the West.

The tendency of events is indeed grave, for the foreign policy of the National Government is placing us in an ever weaker position. But we are still strong, and together with the allies throughout the world which we could obtain, we are still far stronger than the enemy. The present feeling of peril arises from the unity of the enemy Powers, and the disunity between us and our potential allies. That feeling of peril would be dissipated if Britain were to build a firm alliance with all those countries, both great and small, who are themselves menaced by the progress of Fascism. We must cement our alliance with France; form an alliance with Russia, whose

<sup>1</sup> Quoted in “Ourselves and Germany” 1938, by the Marquess of Londonderry, Penguin Edition, p. 88.

<sup>2</sup> Sir Arnold Wilson, M.P., quoted in *The Times*, January 30th, 1939.

military superiority Hitler himself has recognised; neutralise the Japanese by sending arms and food to China; obtain substantial guarantees of assistance from the United States; and with the help of France and the Soviet Union rally those smaller countries in Europe which have not yet fallen under the control of Nazi Germany. If these things were done the superiority of the allies on land, on the sea, and in the air would be unquestionable. Faced with such an alliance, the Nazis would never strike. So far Nazi Germany or Fascist Italy have struck only at small Powers who could rely on no support. They will only strike at the Western democracies when these can no longer rely on support. The danger of war will increase as the strength of the enemy is allowed to increase. That danger will recede as the strength of the Western democracies increases. The strength of Britain and France depends first and foremost on the strength and the extent of their alliances, without which mere armaments are almost futile.

If such an alliance is formed in time, the forces within Nazi Germany and Fascist Italy, which have been strengthened and encouraged by success, will be weakened. "Moderate" opinion will be assisted; the whole system of government in these countries might be changed, and new and more democratic governments agree to join such an alliance and bring to life once more the League of Nations. Agreement on gradual disarmament would be possible so that war and economic disaster might be avoided. Our enemies might become our allies, and Anglo-German friendship become a genuine friendship between the peoples, instead of a means of disarming a victim. The political problem of the British people is how to halt the grand retreat, which is indeed the outcome of a policy akin to betrayal.

## CHAPTER IX

### *Property and Patriotism*

"If it should come to a suggestion that we should surrender, not a strip of desert and a handful of nomads, but large native populations who have trusted us, and settlers who have embarked their all in the faith that they were doing so under the British flag, I venture to predict a storm compared with which the recent breeze over the Hoare-Laval proposals would be a trifle."—Rt. Hon. L. S. Amery, *The Times*, April 15th, 1936.

"Let it not be said that what has befallen these peoples can never be our lot. Even to-day, in our very midst, unfaithful stewards betray their trust, bidding us likewise be faithless, scorning the wise valour of our fathers. Against them let us keep watch and ward, banding ourselves together as free men, standing unafraid for freedom and for truth."—Wickham Steed.

WE have now answered the question "Who are the Tory M.P.s?" Their parentage, their education, their industrial and landed property, their professions and occupations have shown them to be a fairly representative cross-section of our governing class. The most important facts presented are those showing the characteristics shared by large groups of Tory M.P.s, for such characteristics are the most reliable guide to the nature of the Tory Party as a whole. The more comprehensive the picture, the more reliable it is as a guide to understanding the motive forces impelling a Conservative Government.

Tory policy is the outcome of the collective opinions and interests of leading Tory politicians. In the elaborate shuffling of ideas leading to decisions on policy the common denominator is decisive. In our study of Conservative politicians it is the interests which we have shown many to possess in common that are of great importance. The exceptional ideas and interests of any individual or small minority may often be defeated. Further, exceptional men may advocate a policy running contrary to their particular interests.

The great wealth of Conservative politicians, their common stake in the profits of industry, their extensive interests in land and property both in Britain and the Empire, their personal dependence on hereditary privilege are all common factors influencing the policy of our Government at every turn. In short, a political party whose Parliamentary representatives are drawn almost exclusively from a particular social class must pursue a policy in accordance with the wishes of that class.

Under our present constitution this policy is tempered by public opinion. But the Tory control of the greater part of the Press and other means of propaganda enable public opinion to be swayed to suit Tory policy.

It is the common interests of leading Conservatives which hold the Conservative Party together. For many years the Conservatives have shown remarkable unity both inside and outside Parliament on all important questions. This unity shows the great strength of their common interests. The split which recently developed within the Conservative Party only developed under the pressure of the most violent circumstances. The main body of Conservative industrial interests were, at least up to the final annexation of Czechoslovakia, united in support of the Conservative leadership.

In the preceding chapter we depicted the foreign policy which the Conservative Party has pursued as the natural policy of a wealthy and privileged social class. The Conservatives have supported General Franco, Mussolini, Hitler, and even the Mikado, because these men are the champions of the wealthy and privileged class of other countries. There are many British Conservatives who believe that a defeat for the dictators or a victory for democracy anywhere in the world would weaken British Conservatism at home or in some part of the Empire. They believe that reaction is indivisible.

General Franco, Mussolini, and Hitler are using different methods from our Conservatives. But, as we showed in the preceding chapter, many Conservatives approve these methods. Let this only be a warning to us not to leave sufficient power in the hands of British Conservatives to enable them to copy the dictators. Already, as Conservative difficulties have grown, increasing numbers have advocated Fascist methods. Although no Conservative could seriously propose the immediate introduction of Fascism into this country, the growth of some of the organisations described in the preceding chapter shows that more and more Conservatives are thinking about the possibility of Fascism in Britain.

At present these people are only tiny groups among the population. If they won a majority of Conservative M.P.s for the idea of introducing some form of Fascism here, what forces would they have at their disposal in order to do so? If the Tories were in power they would, indeed, have the coercive

forces always at the disposal of any Government, as for example the Army and the Police Forces. Fascism on the Continent had, however, not only these forces at its disposal, but other more effective and reliable political weapons which British Conservatives do not yet possess.

The Fascist regimes in Italy and Germany were not introduced by old political parties. The Nazi Party was, for example, a new party which had never had the responsibility of Government. The German people were suffering from many serious grievances, and the Nazi Party presented itself as a brand-new, revolutionary, and inspired party which would sweep away the corrupt old politicians and solve all the troubles of the German people. The Conservative Party is not brand new and could never successfully pretend to be revolutionary or inspired; the older politicians, who necessarily take the blame for most of our troubles, are within its own ranks; it could never convince the people that it had a panacea for all their troubles.

Before Hitler came to power he had won a strong and enthusiastic minority of the people. The Nazi Party had nearly a million members at the end of 1932. The Nazis could call a demonstration in Berlin in 1932, 250,000 strong. Some hundreds of thousands of Nazi Party members were organised in military fashion in the S.S. and S.A., and were armed.

The British governing class has no comparable force at its disposal. Although there are, as we have shown, many groups of Fascists, there is still no important Fascist political party. The British Union (of Fascists) has grown weaker, not stronger, in recent years.

Most of the tricks which Hitler, for example, used to win the support of his strong and enthusiastic minority are worn out. The people here have been warned, for they have seen the fate of the German and Italian peoples. The British Union of Fascists has declined not only because of the vigorous opposition by the organised Labour movement, but because of the growing hatred for Fascism inspired by its deeds abroad.

It is also far more difficult, than it was for Hitler, for British Fascists to invent a programme. Hitler called his party a "Socialist" and "Workers'" party. The use of such titles would not deceive many people in Britain to-day if that party had, in fact, a fascist policy. Hitler could pretend that Germany's sufferings were due to the Versailles Treaty, which had

deprived her of territories in Europe, colonies, and arms; there exists no comparable grievance in Britain for our Fascists to use.

The events on the Continent are producing an ever greater determination among the people not to tolerate Fascism here. The people are also learning not to be deceived into supporting movements which though not fascist in appearance are fascist in fact.

Thus the attempt to introduce Fascism in this country is fraught with immense difficulties. These difficulties are increased by the danger to our governing class of taking half-measures. It is possible to prepare for Fascism gradually, but it is not safe to *introduce* it gradually. Hitler only took two months to destroy all the important democratic organisations in Germany. During this two months not only were all other political parties destroyed, but the officials of every learned society, social club, sports' organisation, charitable organisation, the staffs of every daily paper, weekly or monthly journal were replaced by Nazis or had to swear obedience to Nazi dictates. Only the Church was left temporarily intact, so that for a long period the only organisations which were allowed to elect their own "officials" were the Churches. The Nazis found that even these opportunities of democratic organisation were a danger. The legal Protestant Church has now lost this right and the Catholic Church is in a strait-jacket.

Hitler had a good reason for striking quickly and universally. He had learnt by the experience of other countries that half-hearted attacks on democracy, as for example the suppression of a few left-wing organisations, led to a tremendous and often uncontrollable reaction. If the people are attacked and are at the same time allowed any means of replying, they will counter-attack. There is nothing which produces such a hostile movement of the people as an attack upon their liberties. In Britain, with its long democratic traditions, this is particularly true.

Our governing class has been so far very successful in encouraging its Fascist friends abroad, but it has been singularly unsuccessful in even preparing for Fascism in Britain.

In other directions also the difficulties of introducing Fascism are great. The British governing class is not simply concerned to maintain its political power over the 45,000,000 people of these islands, but over the 450,000,000 peoples of the Colonial



Empire and India. They must also maintain some degree of political unity between this country and the Dominions. British Conservatism has land, property, and industry to defend in every continent.

One conscious purpose of rearmament is the defence of the Empire, even though Conservatives and democrats alike understand full well that these arms may one day be used to crush democracy in this country or abroad. But the defence of the Empire cannot be guaranteed with arms alone. Thousands of soldiers, sailors, airmen, and factory-workers are needed for its defence. With an Empire population of 450,000,000 it might well be thought that there should be no shortage of man-power. But we should remember that in the Great War the "internal situation" in India prevented the recruitment of Indian troops. To-day thousands of British troops are needed in India, Palestine, and the West Indies and in other Colonies to maintain British authority. Among its subject peoples the will to defend the Empire is at a low ebb. The absence of democracy leaves these peoples with little to fight for, and makes it probable that great parts of the Empire would use the opportunity of another war to rid themselves of the British Conservative yoke, by force of arms if necessary. Only democratic concessions to the subject peoples and an alliance with them for the purpose of mutual defence could prevent this happening should the Empire be seriously involved in war.

The defence of Britain does not depend on arms alone, but is equally a political question. The will to fight depends on what you are fighting for. The British people are very conscious that most of the promises made during the last War were never fulfilled, and many of the things which were actually won, such as a fairly peaceful and democratic Europe, have since been given away with the connivance of British Conservatives.

The British people will only fight to defend the Empire again if its defence is part of a greater struggle for liberty, democracy, and fair play. They will not fight in another Great War to defend British interests in Portugal, Egypt, or Iraq, countries to whom Britain is under treaty obligations. But they would fight, even to defend these countries, if the war was really a war of liberation of the peoples of Europe against Fascism.

If our Conservatives go too far in suppressing liberty, emasculating the British constitution, and imposing injustices

on the people, their chances of defending their Empire will vanish. The introduction of Fascism in Britain, or even a milder restriction on our democratic liberties, would destroy those things for which the people of this country are willing to fight in an international war.

Successful defence against Fascism requires a strengthening of democracy. The British governing class is in a serious dilemma. If they wish to defend the Empire they can only do so by making very considerable concessions to the subject peoples of the Empire and by being willing in some degree to defend liberty and democracy at home. They can halt the advance of Fascism without a war immediately, but only by building a strong alliance with the other democratic powers and only by at least tacitly consenting to propaganda in this country in support of democratic principles, and only by refraining from making any obvious attacks on democracy at home.

The dilemma may be expressed in another way. The governing class of this country cannot in the end succeed in fighting against Hitler and the British people at the same time. There are some Tory M.P.s who would obtain Hitler's assistance to suppress democracy in Britain; there are other Tory M.P.s who wish to obtain some co-operation from the people to create a strong alliance against Hitler.

Many writers have warned us that Conservatives may well use the need to prepare for defence against Fascism as an excuse for suppressing our liberties. This is particularly true when the British Government is still yielding to Fascism and has no actual desire to prepare for defence. But even a Conservative Government determined to defend Britain and the Empire, and prepared to make alliances with other democratic Powers, would also make attacks on British democracy as we can see from the speeches of dissident Conservatives. But such a Government would have to move carefully, and would hesitate to take steps which could not be justified to at least a great part of the public by some specious argument about military necessity.

Until very recently the dilemma of Conservatives was not acute. Although British Imperial interests were being slowly undermined, they were not immediately threatened. Large sections of British Conservatives were not faced with the question in such a way that they were compelled to say on which side they

stood. Many Conservatives have nevertheless made a decision. Already some have come down on the side of Fascism. At every turn in the international situation leading Conservatives have advised capitulation to Hitler. Leading Conservatives have consciously or unconsciously advocated a policy which has strengthened Hitler and weakened Britain and her allies. The British Government has permitted and even assisted the victories of Fascism in Spain and Czechoslovakia at the behest of such Conservatives.

These people are the main enemy of the democratic movement in Britain. The menace to Britain comes from those politicians who go out of their way to assist the Nazis and advise our potential allies to capitulate to the enemy. The situation to-day is only so serious because the British Government itself is under the influence of these very people. But the international situation is moving ever faster, and with it the probability that some real threat to British Imperial interests will be made long before Britain can be turned fascist. The Britain that will react to threats from Nazi Germany will be a *democratic* and not a *fascist* Britain. A movement is growing and is bound to grow affecting all classes and members of all parties against capitulation. The capitulators will have on their side only the weaker sections of the population moved by the basest motives of cowardice and reaction. The democratic movement will have an unexampled opportunity of organising a great national democratic revival supported by important Empire interests. The record of our Government in foreign affairs has been one of disastrous capitulation and even open support for the Fascist aggressors. Let those people who are prone to think that this policy can be continued indefinitely remember that so far no important attack has been made on the British or French Empires, or even on a major Power. Only the weaker and more defenceless countries have been victims.

A fascist foreign policy is in the end inconsistent with the maintenance of democracy in Britain. There is every reason to believe that our democracy is still so strong that it is the fascist foreign policy which will be defeated.

At the time of writing (end of March 1939) there has already been a change in the position of the Government. The annexation of Bohemia and Moravia by Germany has aroused the country. The combined forces of the opposition, dissident Con-

servatives and public opinion have forced the Government to repudiate its policy of open collaboration with Fascism. The fascist wing of Conservatism which has so long been in control has suffered a setback. But although the fascist policy has been repudiated, actions have not followed words. The Government has not yet made the necessary efforts to create a strong alliance of all the peaceful Powers. The fascist wing of Conservatism, including important members of the Cabinet, is still strong enough to prevent effective action.

As the threats to the British Empire grow, and as public opinion becomes more outraged, the influence of Hitler's friends in Britain will decrease. The democratic movement has a great opportunity to gather the people around it. Any great increase in the pressure on the Government will force an abandonment, in practice, of the policy of retreat, as it has already compelled a change in words. The democratic movement has exceptional opportunities, for on this question great numbers of Conservatives support its policy.

How long will the pro-Fascist Conservatives maintain their influence over the Government? That change in foreign policy may well come about even under a Conservative Government. The great question is how much of Europe will Hitler be allowed to conquer before a great democratic alliance prevents further aggression.

If opinion is strong enough the Conservatives will make a decisive change in their policy rather than see the Opposition win power. But the Tories can never be trusted to carry out an alternative policy consistently. A foreign policy which would hold up the Fascist advance and ensure peace and security requires a firm alliance with every Power in the world which feels itself menaced and is prepared to co-operate. Britain needs many allies, and can obtain them only on a basis of mutuality. The two greatest Powers are the United States and the Soviet Union. The Tories are so hag-ridden with prejudices about the Soviet Union that they are placing every obstacle in the way of such an alliance. But clearly so long as we refuse to ally ourselves with strong Powers who have little to fear for themselves, the smaller Powers will hesitate to take sides. Even if Conservatives once decided to swallow their prejudices they could not be trusted to take full advantage of such an alliance. As this chapter is being written the British Government still refuse

to accept an offer from the Soviet Union of an alliance which would greatly strengthen this country.

British foreign policy in recent years has made any Conservative Government an object of real suspicion in the United States, France, and in all the smaller democratic countries. "Perfidious Albion" is Conservative Britain. Only a change of Government could convince these countries that Britain was really determined to make a clean start.

Whatever policy a Conservative Government chooses to adopt, all democratic countries will know that within Conservative ranks there remains a group of fascist supporters who will always strive to prevent any whole-hearted pursuit of a peace policy. Fascists in Britain derive their power through their positions within the Conservative Party. No one will ever have confidence that they are defeated until Conservatism has been defeated.

Equally important is the hatred for Conservatism in the Empire. The people of the Empire will feel, with every justification, that a Conservative Government only wishes to defend the Empire to defend its property and political power, and not to defend the peoples of the Empire. A democratic Government in Britain could win the confidence of the peoples of India and of the Colonies, and ensure their co-operation in defence. If a progressive British Government gave extensive democratic rights to all parts of the Empire, that co-operation would be readily granted. A united and democratic Empire would be so strong that it would have little to fear from a relatively small country like Germany. But will Conservatives ever make those concessions to their subject peoples, and so build a united Empire?

In this country Conservative leaders are mistrusted even by many of their own supporters. There is a strong feeling that Conservatives will never limit the profiteering on arms contracts which was characteristic of the last War, and is characteristic of the present period of rearmament to the detriment of the country's defences. Only a democratic Government can count on the support of the great mass of industrial workers on which the strength of the country depends. The Conservatives will never reform and democratise the Armed Forces, for this would involve abolishing the present Conservative control; but only such reform can create Armed Forces really determined to defend the people against Fascism.

In summary, a peace policy requires a strong Britain. The defeat of Conservatism is a prerequisite of a strong Britain.

The hope of Britain must lie in an alternative Government. Here it is not our purpose to discuss problems of Labour politics, or the tremendous internal questions which every democratic movement has to solve in order to win power. This book analyses the enemies of democracy. Its facts and figures, if rightly used, can reduce the power of those enemies. The ability of Conservatism to maintain power may be looked at in two ways, both of which we must understand if Conservatism is to be defeated. We can study the various positive ways in which the Conservatives maintain their influence over their own supporters. Or we can consider the reasons why the opposition is not strong enough to overthrow the Government.

Conservatives win much support by painting a false picture of themselves. They often pretend to be a great democratic party, where all are welcome. They pretend that political success in the Conservative ranks is the reward of every humble Englishman who is an able and conscientious political worker. They pretend that Conservative politicians have just as great an understanding of the people and just as strong a desire to serve them as any Opposition M.P.

Our facts show that no man is welcome among the upper ranks of the Conservative Party unless he is either wealthy or aristocratic. The very few exceptions to this rule are wholly insufficient to influence the character of the party.

The Conservatives have been able to maintain their influence to a great extent because they have been able to prevent the people from understanding their true character. This can be seen in any Government constituency. To most electors the Tory M.P. is only a name; they know little of the way he votes in Parliament, about his speeches, and his political activities outside Parliament. They are little wiser about his social status or his real opinions on the important questions of the day. Most of his electors have never seen him.

The electorate is ignorant about these all-important questions because neither the national nor local press nor the local Conservative Association puts before the electorate a true account of a Conservative M.P.'s activities.

Many Conservative M.P.s would soon lose their seats if the

local Labour movement informed the electorate accurately of their member's speeches, activities, and opinions.

The Conservative M.P. or candidate is the formal Conservative representative, a main prop of the National Government in a constituency. The local opposition must have as one of its main objectives the removal of that prop. The Conservative M.P. or candidate must receive just as many hard knocks from the opposition locally, as a Conservative Prime Minister nationally, if the opposition is to win.

It is the duty of the local opposition to break through the conspiracy of silence which covers most of the activities of Conservative politicians, and so allow the electorate to make a real decision.

There are many Tories, as we have shown, who are more and more hostile to the whole Parliamentary system. Parliament is an effective brake on their activities which they desire to remove. How are we to defend democracy against the attacks which are being made upon it?

The local progressive movement must see that the democratic system works in their own constituency. If the activities of your Conservative M.P. are in any way undemocratic, he should be subjected to vigorous political attack by his constituents. The right of the people to elect their Member of Parliament is perhaps the most important of all our democratic rights, for most of our other rights depend upon this one. If we allow this right to fall into partial disuse, our other rights are certain to be gradually whittled away.

We are allowing this right to fall into partial disuse if we allow our Member of Parliament to engage in undemocratic or pro-Fascist activities. If your M.P., for example, supports the war aims of Japan, as some Tory M.P.s do, you have a special responsibility to criticise him so that all his electors understand his political position and what it means. Again, a local section of the Labour movement has indeed made a serious political error if throughout their campaign in support of Republican Spain they have not, as a part of that campaign, attacked their local Tory M.P. for anything he has said or done in support of Franco. If your Tory M.P. has said nothing on the question, he has almost certainly voted in the House of Commons for policies directed against Republican Spain.

Is your M.P. one of Hitler's supporters in Britain? If he is,

everyone in the constituency must hear of it. It is good if your particular part of the democratic movement has attacked the Government for its policy of capitulation to Fascism; it is better if some of that fire had also been directed against your local Tory M.P. for his advocacy or support of such policies. The local Government M.P. should bear the brunt of a great part of our anger against the Government. We must see that a Government M.P. pays in votes for his own policy and the Government's policy.

Every Tory M.P. must bear his share of responsibility for the policy of the Government. But public criticism of a Tory M.P. should not be confined to condemning him for supporting the Government. Criticism should extend to all his speeches both inside and outside Parliament, which are relevant to an M.P.'s political responsibilities. In some cases it is equally important to follow an M.P.'s writings, and the local opposition should possess an up-to-date and comprehensive list.

In this way every campaign and every meeting on foreign or home affairs can be made more directly relevant to the political situation in the particular constituency. Where, for example, the local M.P. has spoken against improving the conditions of the unemployed, the local electors can be made to feel more directly responsible themselves for the state of the distressed areas. Here is one way in which they can help to remove the obstacles which stand in the way of reconstructing those parts of the country.

However, in many constituencies the Tory M.P. rarely speaks in Parliament or at public meetings in his own or other constituencies. He may never have published any books, pamphlets or even articles in the Press, or his publications may be irrelevant to the political situation to-day. Some Tory M.P.s only rarely attend a debate in the House of Commons. Nevertheless such an M.P. is still politically responsible for the Government's policy, for the Government depends for its continued existence on many such M.P.s. Further, in such circumstances the M.P. must be vigorously criticised for not carrying out the duties for which he was elected and for which he is paid a salary of £600 a year.

The local opposition should tell the electorate just how often their M.P. has spoken in Parliament, how often he has voted or attended a debate. If their M.P. is politically inactive,



the electorate should be given an accurate picture of that inactivity, together with some account of just how he does spend his time. In the last Parliament there was, for example, a Tory M.P. for a London constituency who only once spoke in the House of Commons in over a decade, and on this one occasion he occupied the time of the House to protest against restrictions on fox-hunting. Another aristocratic M.P. rarely attended a debate until recently, and spent his time, and also presumably his salary as M.P., following the season from one pleasure resort to another on the European Continent. Such facts are not irrelevant to the political campaign in a constituency. If an M.P. does not take his political responsibilities seriously, his election to Parliament is unjustifiable, even from the point of view of his Conservative supporters.

The Tory M.P.s who indulge in a completely idle and pleasure-seeking existence are, however, far outnumbered by those actively engaged in business. Preoccupation with business matters is a frequent cause of neglect of Parliamentary duties. In some cases an M.P.'s business is also not irrelevant to his constituents. There are Tory M.P.s who manage or own great concerns whose policy is vigorously hostile to Trade Unionism. Does such a man deserve to represent an electorate consisting largely of employees and to a considerable extent of Trade Unionists?

The opposition must make the constituency "M.P.-conscious". Every elector must have in his mind a clear picture of the man by whom he is represented in the councils of the nation. In a constituency represented by a member of the Opposition, the electorate should know all about the Tory candidate.

The main task of the local progressive movement is to reduce as much as possible the support in their locality for a Conservative Government. The progressive movement has many aims; the organisation of workers in the constituency into Trade Unions, the defeat of the Tories on the local Municipal authority, the alleviation of distress among the unemployed, or the improvement of housing are all among these aims, and will vary in relative importance from one district to another. Success in achieving these aims will always reduce the support for Conservatism. But the solution of every social question finally depends upon defeating the Conservative Government, and even under a

Conservative Government the solution of our local problems is assisted by progressive Parliamentary representation.

The defeat of the Tory M.P. or candidate must thus be made a part of every campaign conducted by the local opposition. Whether we are at the moment concerned with home or foreign affairs, or with some urgent matter of local politics, the success of our efforts will be partly measured by the extent to which we succeed in diminishing the support for Toryism and our Tory M.P.

The well-organised political attack on Conservatism locally and nationally is, of course, only one side of the opposition campaign. We must strive to defeat the Tory M.P., but we cannot do this by criticism alone. We must have a worthy candidate to replace him, and much depends on our choosing the best candidate. We must strive to criticise Tory policy more vigorously and realistically; but we must ourselves have realistic and progressive policies both locally and nationally. Toryism will only be defeated when the people have confidence in the alternative.

A profound understanding of Toryism is necessary to the opposition, for they cannot explain their policy to the people in isolation, but only in relation to Tory policy. Further, the opposition may be clear in general about its aims, but in working out the details of its policy a critique of the Conservative Party and its policies is first necessary. The democratic movement can win power only at the expense of the Tories, who will resist at every turn. We must try to foresee how, when, and where the Tories will resist.

The Conservative Party is an oligarchy. The most fundamental belief of leading Conservatives is that their oligarchy has a right to rule. At all times the opposition must stress its profound belief in democracy. It must point out not only the disastrous consequences of rule by an oligarchy, but show the real democratic solution to the problems which Conservatism has failed to solve.

Democracy and patriotism are inseparable. The Conservatives maintain considerable influence, nevertheless, from their claim to be patriotic. Patriotism means respect for and desire to serve your fellow-countrymen. The cloak of patriotism hangs falsely on the shoulders of men who believe the great majority of their fellow-countrymen are too poor to be entrusted

with government, and who use their own political power for the ends of their own wealthy class. Only a true democratic movement can ever rightly claim to be patriotic. True patriotism should be the boast of all democratic opponents of Conservatism.

We live in an age when the forces of human progress are engaged in a gigantic contest with the forces of reaction. The Labour and democratic movements must show our humanity the way forward. They must show themselves equal to this great responsibility. They must convince the people that they stand for human progress, that it depends upon their victory, and that Conservative power is the great barrier between the people and a future where the great achievements of science and new understanding of social organisation could create a prosperous and happy world.

To-day we may find it difficult to defend the things which our part of humanity has achieved, but if we succeed in that defence, and so weaken the forces of reaction, to-morrow a brighter and better future will lie before us.

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## Note about Books and Research

READERS may wish to obtain more information about particular subjects discussed in this book, or a fuller picture of the opinions, activities, and social origins of their own M.P.

### RESEARCH BUREAUX.

Help can be obtained from various organisations :

(i) Members of political parties will have access to their headquarters' research departments on particular subjects.

(ii) The *Labour Research Department*, 6 High Holborn, London, W.C.2, will answer particular queries, and will prepare memoranda for subscribers on any question. They are particularly useful for queries on industrial matters and are the only organisation which, to our knowledge, has analysed in detail the industrial connections of M.P.s (see *Labour Research*, April and May 1929; *Labour and Capital in Parliament*, 1923). Their monthly publication, *Labour Research*, Price 3d., contains very useful factual material and is indexed yearly.

(iii) For debates and questions on foreign affairs, see *Foreign Affairs in Parliament* published weekly (12s. 6d. a year) by the *Union of Democratic Control*, 34 Victoria Street, London, S.W.1, who will also answer particular queries and give advice.

(iv) The *Fabian Society* now incorporating *The New Fabian Research Bureau*, 11 Doughty Street, London, W.C.1, publish books and pamphlets and undertakes research for their own members particularly on general Labour and Opposition policy.

(v) *Colonial Information Bureau*, 53 Gray's Inn Road, London, W.C.1, will answer queries on Colonial questions.

### COMMERCIAL AGENCIES.

(i) *Durrant's Press Cuttings*, 32 Holborn Viaduct, E.C.1, and similar agencies provide current newspaper cuttings from national and/or local press on topics or individuals.

(ii) A number of daily papers have inquiry bureaux for their registered readers—e.g., *Daily Herald*, *Free Advice Bureau*, 67 Long Acre, London, W.C.2.

(iii) A number of commercial agencies provide current information for investors and others on company finance—e.g., *Moody's-Economist Services*, *King William Street House*, London, E.C.4. (The charge is about 2s. 6d. a year per company for small numbers.)

### LOCAL LIBRARIES.

The reference department of good local libraries contains many of the books necessary for political research. Where a local library has not got a book, it can usually be obtained by the local library from the *National Central Library*, if required for serious study. Postage must be paid by the borrower. Your local librarian will also inform you whether reference volumes such as *Hansard* can be consulted in a neighbouring library. He should also be consulted for a reading list on topics or individuals—e.g., (a) list of books written by an individual M.P., (b) biographies of individuals and family histories, (c) reading lists on particular subjects including Year-books—e.g., coal-mining, etc.

### GENERAL SOURCES.

The following are usually obtainable in the reference department of local libraries : (i) *Who's Who*, the basis for many further investigations ; (ii) *Directory of Directors*, an alphabetical list of directors with the companies in which they are concerned ; (iii) *Burke's Peerage*, *Debrett* and *Burke's Landed Gentry*, which give not only family relations but brief

histories of the families; (iv) *Parliamentary Companions*, e.g., *Vacher's* (monthly), and *Dodd's* (yearly) give personnel of Ministries, Parliamentary positions, etc.; (v) the only daily newspaper with a detailed index is *The Times*, which is therefore invaluable for tracing speeches, annual meetings of companies, etc. The *Index* is published quarterly and covers individuals and subjects; (vi) your local paper will be useful for speeches and activities of an M.P., addresses at past elections, etc.; back copies may usually be consulted at the newspaper's offices; (vii) the official reports of debates in the House of Commons (*Hansard*) are published the day after the debate; they are indexed when bound (about monthly), and there is also a yearly general index; (viii) of the general Year-books *The Liberal Year-book* and *The Constitutional Year-book* will be found particularly useful on Parliament, composition of Ministries, biographies of M.P.s, and election figures; *Whitaker's Almanac* is particularly useful for its summary of events of the year, of Acts of Parliament, and other details on both Houses; *The Statesman's Year-book* is useful for condensed information on the Empire and foreign countries, and lists of books after each section. The *Aslib Directory* (issued by the *Association of Special Libraries and Information Bureaux*) is useful for tracing the sources of specialised information.

#### SPECIALISED SOURCES.

(i) Industrial. *The Stock Exchange Official Year-book* contains details of most limited companies—their capital, dividends, etc. *The Stock Exchange 10-year Record of Dividends and Prices* is a useful companion volume. *The Red Book of Commerce* (or *Who's Who in Business*) gives similar details of firms and in many cases the location of factories or offices, a description of products or business, trade names, and sometimes whether the firm contracts with Government departments. *The F.B.I. Register of British Manufacturers* gives similar details for its member-firms.

The weekly financial papers which contain news of companies' activities are *The Stock Exchange Gazette* (cumulative monthly index), *The Economist* (quarterly index), *The Statist* (half-yearly index).

Shareholding lists of public companies can be consulted only at the Office of the Registrar of Public Companies, *Somerset House, London, W.C.2*, or in Edinburgh for Scottish companies. The *Labour Research Department* (see above) will consult lists for provincial readers.

There is a huge literature on special industries. Every industry has its own Year-book or Directory—e.g., *Fairplay's Annual Summary of British Shipping Finance*, which gives, among other information, the leading shareholders of shipping companies; *The Mining Year-book*; *The Oil and Petroleum Year-book*; *"The Aeroplane" Directory of the Aviation and Allied Industries*, etc. Most industries and many individual firms have their own periodicals. Colonial and foreign companies are often described in the *English Year-book or Directory* for the country concerned.

(ii) Aristocracy and Landed Gentry. *Burke's Peerage or Landed Gentry* should be supplemented from *Who Was Who 1897-1915* and *1916-28*; the *Dictionary of National Biography*; biographies of particular families of which there are very many and of famous members of these families. Useful general books are *Howard Evans, Our Old Nobility*, 1907; *Burke's Rise of Great Families*; *Tom Johnston, M.P., Our Noble Families*; *J. Bateman, Great Landowners of Great Britain* (1879 and 1884). The history of many wealthy families which played a leading part in politics can be followed in the standard history books—e.g., *Cambridge Modern History*. See also *T. R. Thomson, Catalogue of British Family Histories*.

The above notes are a rough guide to further research into the detailed facts of our political system, and are intended to be of particular use to

those persons actively engaged in local politics. For those readers who may wish to continue their general reading on subjects discussed in this book a short list of recommended books covering the different subjects is added ; books which are difficult reading have been excluded :

## HISTORY

Halévy, Elie.	"A History of the English People in 1815."	Pelican Books.
Morton, A. L.	"A People's History of England."	Gollancz.
Cole, G. D. H., and Postgate, Raymond.	"The Common People. 1746-1938."	Methuen.
Christie, O. F.	"The Transition from Aristocracy."	Seeley.
Christie, O. F.	"The Transition to Democracy."	Blackwell.
Hutt, Allen.	"The Post-War History of the British Working Class."	Gollancz.

## THE CONSTITUTION

Greaves, H. R. G.	"Reactionary England."	Acorn Press.
Greaves, H. R. G.	"The British Constitution."	Allen & Unwin.

## SOCIAL INEQUALITY

Tawney, R. H.	"Equality."	Allen & Unwin.
Tawney, R. H.	"Acquisitive Society."	Bell.
Schaffer, Gordon.	"Riches and Poverty."	Gollancz.
Cole, G. D. H. and M. I.	"The Condition of Britain."	Gollancz.
Wedgwood, Josiah.	"The Economics of Inheritance."	Pelican Books.

## INDUSTRY

Oakley, C. A.	"Industrial Map of Scotland."	Oliver & Boyd.
Yates, M. L.	"Wages and Labour Conditions in British Engineering."	Macdonald & Evans.

## ARMAMENTS

Noel-Baker, Philip.	"The Private Manufacture of Armaments."	Gollancz.
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## ECONOMICS

Strachey, John.	"The Nature of Capitalist Crisis."	Gollancz.
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## EMPIRE

Hobson, J. A.	"Imperialism."	Allen & Unwin.
Barnes, Leonard.	"Empire or Democracy ?"	Gollancz.

## FASCISM AND FOREIGN POLICY

Dutt, R. P.	"Fascism."	Lawrence and Wishart.
Jones, F. Elwyn.	"The Battle for Peace."	Gollancz.
"Vigilantes" (K. Zilliacus).	"Why We Are Losing the Peace."	Gollancz.
"Vigilantes" (K. Zilliacus).	"Between Two Wars ?"	Penguin Books.
Garratt, G. T.	"The Shadow of the Swastika."	Hamish Hamilton.

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